









# Chrysler

## The way ahead

### High Export Contribution

100% increase in orders in seven years

Chrysler is proportionately the most successful exporter among United Kingdom car manufacturers.

In fact, Chrysler accounted for 35% of all car exports during the first six months of 1975.

The most important of our overseas customers is Iran, to whom Chrysler supply components for Hunters in 'knocked down' form, for assembly in that country. Iran National, the Iranian company concerned, has plans for substantially increased production over the next two years.

The majority of the plant and equipment for the assembly factory has been purchased from the United Kingdom, with the plant layout, procurement of equipment, installation, plant commissioning, training of management and labour being co-ordinated by Chrysler's experts who continue to provide advice and assistance.

The car produced is a version of the Hunter, specially adapted to local conditions, and called 'Peykan' - Iranian for Arrow.

But while Iran is Chrysler's major customer abroad, a considerable volume of British-manufactured products is exported all over the world.

The Avenger is popular in many European countries, where it is known as the 'Bianca'. British built Chrysler trucks, too, are gaining higher export sales with a great expansion for the new Commer Commando trucks anticipated in the coming year.

In fact, Chrysler exports have increased by 100% in the past seven years.

Now the future of Chrysler in the United Kingdom is assured, we will continue to develop our very valuable overseas markets for cars and trucks made in Britain.

### Chrysler cars keep their value

- Mr. David Wickens, Chairman of British Car Auctions

A very good indication of the true value of a car is the re-sale price it commands. And what better authority to comment than Mr. David Wickens, chairman of the biggest used-car sales organisation in the world.

He is confident of the present, and the future, for Chrysler owners. Even at the time when the company's structure was most under discussion, he had no doubts.

At that time he anticipated only a small, temporary drop in second-hand value even in the worst possible circumstances.

Now he says "Chrysler's are good cars, solid and put together well. Their second hand value will certainly be maintained."

Ample re-assurance for all current and future owners of Chrysler models.

## POSITIVE ATTITUDE TO THE FUTURE

The agreement between Chrysler and Her Majesty's Government strikes a good balance. It provides long term benefits not only to Chrysler and the people of the United Kingdom, but especially for our employees, dealers, suppliers and customers.

Chrysler export orders, which make a major contribution to the country's balance of payments, will be fulfilled.

the UK economy. On the subject of employment, in 1976, our manpower level is forecast at 17,000. This is, of course in addition to the personnel employed in our nation-wide dealer network, and those in other suppliers.

Furthermore, because every year we

buy-in 150 million pounds' worth of raw materials and components from UK manufacturers. Chrysler's continuing strong presence is good news for many British companies and the thousands of people who work for them.

Our investment and production plans are already well advanced. The value that all Chrysler products offer to our customers has never been in question, and this extensive new investment programme will ensure that they become still more competitive in the future.

ready announced its intention of investing new capital in the production of a totally new car model in this country as part of and investment in new vehicles which will provide a growing contribution to

### ALPINE FOR UK

The great new contender

Greeted with unstinted enthusiasm throughout the motoring world, the exciting new Alpine will shortly be made in Britain.

This is excellent news for motorists. Announced at the Earls Court Motor Show, Chrysler Alpine models will be available in Chrysler dealerships throughout the country in a few days' time.

The Alpine was conceived, designed and engineered by Chrysler United Kingdom to meet the needs of motorists throughout Europe. It does that superbly. Exceptionally roomy



Car of the Year 1976

and comfortable, it combines high performance and excellent road handling with remarkable fuel economy. With a fifth, opening rear door and folding back seat it also has the versatility of an estate. And, typical of the very high standard of specification and engineering, the Alpine is the only car in its class to offer the technological advance of electronic ignition.

And, of course, the Alpine is covered by The Protector, the unique double protection from Chrysler. With 12 months Unlimited Mileage Warranty backed up by the Extra Care Policy.

Alpine in Britain is good news indeed.

### Over 700 dealers back Chrysler quality to the hilt

You are never far from a Chrysler dealer to take care of your Imp, Avenger, Hunter, Rapier, Sceptre, Chrysler 180/2-Litre or Simca. There are over 700 throughout the country.

Their trained technicians must reach Chrysler's rigid standard of top quality service, designed to ensure that you get better after-sales attention than anywhere else. And Chrysler parts supply and delivery second to none.

At this moment, besides their usual wide range of cars, they can offer you two very special models, the Imp Caledonian and Hunter Topaz.

These two exceptionally well equipped cars are fitted with a long list of extras, at savings of £166 and £250 respectively.

### TAKING BETTER CARE OF YOU AND YOUR CAR IS A CHRYSLER POLICY

Your needs as a motorist go beyond the right car at the right price. You need protection for your investment too.

Chrysler have always had this very much in mind. In September last year we introduced the first - and still the best - double cover for you and your car.

When you buy any new Chrysler United Kingdom or Simca car or van, you get a 12 months' unlimited mileage warranty. And on top of that, you get free replacement of certain major parts should they wear out during the warranty period, simply because of the number of miles you've driven.

The parts covered by this Extra Care Policy are: brake linings and pads, brake drums and discs, clutch cover and driven plate, exhaust system, headlamp sealed beam unit and shock absorbers.

The Chrysler 12 Months' Unlimited Mileage Warranty and Extra Care Policy together add up to a unique double protection for you, the motorist.

That's why we call it The Protector.

### THE PROTECTOR

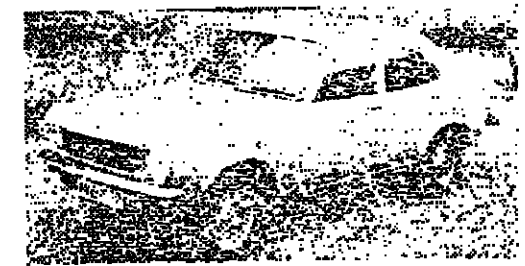
### FLOURISHING FLEET SALES TO 'HOUSEHOLD NAMES'

Chrysler United Kingdom Limited have always given special attention to the needs of the fleet user and the business community.

Now a very large number of 'household name' companies own or lease a total of many thousands of Chrysler cars, vans and trucks for their businesses.

Particular favourites among fleet operators are the Avenger, Hunter, Simca car, derivative and the successful Commando truck. Their special attraction to hard-headed businessmen is their combination of high specification, roominess and comfort, reliability and safety, low maintenance costs and competitive re-sale value. Chrysler's comprehensive fleet support service is now strengthened by the new Customer Assurance Programme.

Servicing Parts back-up of outstanding

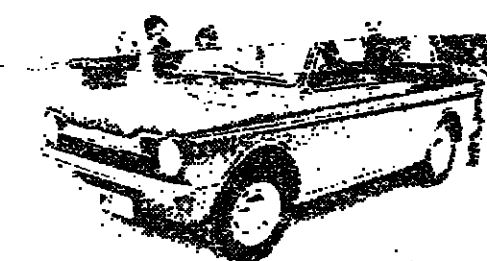


ing quality, keeps hard working vehicles on the road. Whether it's purchasing, renting or leasing, Chrysler through our dealer network can provide it.

We have been particularly appreciative of the many unsolicited comments we have received from our valued Fleet customers in the past few weeks, expressing their high regard for Chrysler products.

They may be sure our efforts will be redoubled in the future.

### IMP FREE MAINTENANCE



### THE FIRST YEAR'S ON US.

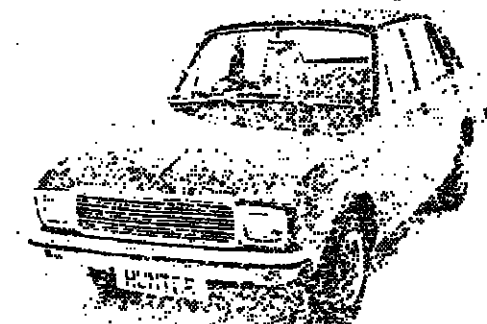
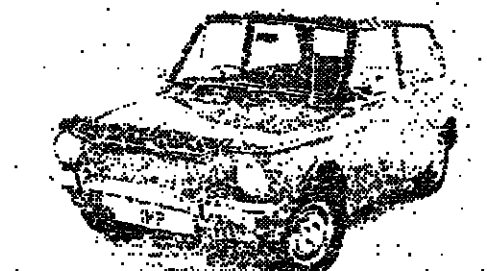
Buy a new Imp - and your Chrysler dealer will carry out all your routine servicing in the first year, regardless of the mileage you cover, completely free of charge.

That means lower running costs, even more reliability, and a better trade-in value. It's an absolute first in motoring. And it makes the incredible Imp an even better buy than ever.

The lively, economical Imp is already Britain's lowest-priced car. It gives you roomy comfort for four people, with the versatility of an opening rear window and folding back seat for the luggage capacity of a semi-estate.

Now, with 12 months' free maintenance added to 12 months' unlimited mileage warranty and free replacement of any part (except tyres) should it wear out during the warranty period, Imp value is unbeatable.

### The limited edition Imp Caledonian and Hunter Topaz are at your dealer now



### PLANT DEVELOPMENT



The Chrysler plant at Linwood, Scotland

Biggest plant in the Chrysler United Kingdom car division, the Linwood complex includes assembly, paint shop for panels, aluminium die casting shop, automatic machine shop. An investment is being made in new paint process, and the entire plant is being re-equipped to assemble Avengers.

Investment of about £12 million is being made in the first at Ryton. Company. This is where the new

Alpine is to be assembled and tooling up for front wheel drive cars will make Ryton excellently positioned for future developments.

The Chrysler engine plant at Stoke is also the main source of component supply for the valuable Iranian export contract, and has a vital role to play in the success of the company. Further investment is being made to modernise facilities and machinery at Stoke.



HOME NEWS

# International protection must be given to the North Sea oilfields, Nato chief warns West

By a Staff Reporter

A determined and well organized terrorist would have little difficulty in getting on board a North Sea oil rig or platform, Rear-Admiral A. P. Besnard, Royal Netherlands Navy, Chief of Allied Staff, Channel Command, declares in a paper published today.

It was given at an international seminar on the security of North Sea oil and the overall Soviet naval threat organized last year by the British Atlantic Committee. The proceedings have been confidential until now.

Discussing the implications of North Sea oil development for Nato countries, Admiral Besnard said the prevention of hijacking or terrorism on the rigs and platforms was enormously difficult even if a warning of a threat was received.

If the companies could be persuaded to build protective devices, some of them would serve equally to combat hijacking, as well as in a war, and that was some incentive for them to give serious thought to such measures.

"It seems the companies are alive to the risk, but there is little they are doing except the more elementary things like screening personnel and controlling entry to the installations", he said.

It was fortunate that offshore installations were, at the best of times, a difficult target. It could be argued that their very nature and position was their best protection. But should a rig or platform be the victim

of a successful hijack or terrorist attack, the reaction politically would be of enormous significance, out of proportion perhaps to economic or other consequences.

"It is because of the likely political and public reaction that one must consider seriously the possibility that someone may consider such an attempt worth while", Admiral Besnard said.

The resources to deal with such a threat could come only from military forces. "The key to the problem lies in good planning coupled with prepared plans which can be quickly activated", he added. "The aim is to devise a plan that ensures a quick response. I am sure that if the military forces are seen regularly in the oil and gas fields they would serve to deter the attack."

If, as seemed likely, a 200-mile exclusive economic zone came into being, the nations would have considerable difficulty in policing the areas allocated. The formation of national offshore squadrons comprising ships and aircraft with responsibilities beyond fishery protection was a possible solution.

An additional presence could be provided by routine warship patrols through the areas, and air cover could be provided during normal maritime air patrol operations.

"However, I believe that if some form of international agreement, perhaps on the lines of fishery protection, could be achieved it would serve to make the best use of available West-

ern forces. I have deliberately referred to West Europe rather than Nato because I do not believe this to be a proper business for Nato.

"The business of policing the high seas, where it is not a purely national task, should be developed by international arrangements and should not be undertaken within the context of existing military power blocks. If Nato were to get involved in the business of preventing hijacking or terrorism, every overt move made by our maritime policemen would be seen as a move in the conflict between East and West, and that cannot be in the interests of world peace."

They would have to devise arrangements for keeping the peace in this new environment. There were hopeful precedents in fishery protection, where such bodies as the North Atlantic Fisheries Commission had appointed international fishery inspectors and framed rules which those inspectors could enforce. Among the signatories to that agreement were Poland, East Germany and Russia.

International cooperation already exists in the commercial world: rigs, platforms, associated equipment and ships are owned by multinational companies, who in turn rely upon firms in many different countries for the provision of sites for building platforms, support ships and the mass of equipment necessary to complete a very complex operation. It is therefore reasonable to suggest that this gigantic international golden egg should receive international protection.

## Director of Liberal Party's HQ dismissed

By Our Political Staff

The Liberal Party executive has dismissed Mr Edward Wheeler, director of the party's headquarters, although he will serve out his 12-month contract, which terminates at the end of the year.

It is likely that over the coming months Mr Wheeler's energies will be directed towards organising the party's celebration of the centenary of the foundation of the National Liberal Federation.

The celebration will be treated as an ideal occasion for a big fund-raising operation, to help to alleviate the party's serious financial difficulties. The Liberals have been allowed an overdraft of more than £20,000 in addition to its debts of about £15,000.

No reasons were given for the termination of Mr Wheeler's contract, which was agreed at a meeting of the party's executive at the Reform Club, London, on Saturday. No decision was taken to replace him.

While the Liberals are not alone among the political parties in facing severe financial difficulties, theirs are more immediate in that the lease on the Strand headquarters off the Strand runs out in May. Renewal would require an additional £10,000 and several thousands of pounds for repairs. The party will also lose the £8,000 a year in rent now paid by an advertising agency.

## More freedom in Whitehall urged

MP wants senior civil servants to be able to enter politics

By Peter Hennessy

Mr Cyril Smith, Liberal MP for Rochdale, will today raise with the Government the issue of political liberties for civil servants. He has tabled a Commons question asking Mr Morris, Minister of State in the Civil Service Department, whether he plans to relax restrictions that prohibit officials in the middle and senior grades of the service from standing for Parliament.

Mr Smith, at the age of 16, was asked to resign as a clerical officer in the Inland Revenue after speaking at a public meeting in support of the Liberal candidate for Rochdale in the 1945 general election. He was prompted to raise the matter in Parliament by the case of Mr David Kitching, who resigned as an assistant secretary in the Ministry of Overseas Development on the announcement last November of his selection as prospective Liberal parliamentary candidate for Epping Forest.

The present regulations came into force in 1953 after the report of the Masterman committee on the political activities of civil servants. Participation in national political activities is forbidden for officials in the executive, administrative, professional, scientific and technical grades.

Such activities are defined as adoption as a parliamentary candidate, holding a party political office, speaking in public, or writing to newspapers on matters of political controversy and canvassing on behalf of parliamentary candidates.

The staff side of the National



Mr Kitching: Salary drop.

Whitley Council regard those rules as oppressive and have asked Sir Douglas Allen, Head of the Home Civil Service, to advise the Prime Minister to set up a committee to examine them. Its views have been given to senior ministers responsible for the Civil Service.

Mr Kitching, aged 49, who was formerly head of the university and technical education department at the Ministry of Overseas Development, believes that only the two most senior grades in the Civil Service, permanent secretary and deputy secretary, should automatically be barred from political activity. Officials in security-sensitive posts, or those responsible for controversial policy and those serving in ministerial private offices should be restricted also he believes.

He was private secretary to Mr Prentice and Mrs Hart

during their time as ministers for Overseas Development from the late 1960s. Apart from those categories, civil servants should be free to engage in political activities.

Mr Kitching's former trade union, the Association of First Division Civil Servants (FDCS), does not share his view. The FDCS accepts the need for a liberalization of the rules governing the executive grades but does not want a change in restrictions on more senior posts filled by its 9,000 members.

Mr Norman Ellis, general secretary of the FDCS, said last week: "The association has always accepted the need for restrictions upon the political activities of senior civil servants. It considers that the sacrifice of political freedom by those civil servants is essential if the country is to be served by a politically neutral Civil Service."

Mr Kitching did not involve the FDCS in his decision to stand for Parliament because he did not feel vindicated in having to resign. He is now deputy director of Community Industry at a salary of £4,600. His salary as an assistant secretary was £11,000.

In an interview with *The Times* last week he said he made the decision to stand for Parliament during the winter crisis of 1973-74. It came to me quite suddenly that it was fine to be a fairly senior public servant provided I was quite sure the country was going to go on being a parliamentary democracy. I cannot imagine winter that it was fairly precarious."

## Union wants cash aid for political parties

Support for a limited form of aid to the political parties is expressed by the Association of Scientific, Technical and Managerial Staffs in evidence by Mr Clive Jenkins, the general secretary, in the committee on aid to the political parties.

But he emphasized that the union was sceptical of the principle of state aid and believed that the crisis in the political system did not result from the inability of the parties to finance themselves. The aid should come from the exchequer, but it should be regarded as part of the cost of holding an election.

The union proposed that at local level all candidates at parliamentary elections who saved their deposits should be refunded the maximum allowable election expenses. That money would go to the local political organization.

Mr Jenkins said that at national level political parties should also receive a payment after a general election equal to the aggregate of the maximum election expenses allowed to each party's candidates whose deposits were saved, provided it applied to at least 10 of the party's candidates.

The union believed that that system would have to be combined with a limit on election expenditure and a ban on political advertising during a campaign by any organization other than parties fielding candidates.

## Inflation and unemployment 'made in Westminster'

Much of today's inflation and unemployment should bear the label "Made in Westminster", Sir Geoffrey Howe, Opposition spokesman on Treasury and economic affairs, said on Saturday.

"We shall all have to face up to fundamental decisions about the future of Britain", he told a Conservative Political Centre conference in London. "These decisions must begin from the recognition that it is in Westminster, in Whitehall and in town and county halls throughout the country that much of our vitality has been drawn away."

One big spending had been piled upon another, and each had pushed up taxes, he said. The increase in deficits and personal taxes had led inflation, to "stifle the prospect of long-term recovery."

He said government spending and the national debt threatened between them to destroy completely the productive, tax-paying economy. The number of voters who depended on government had grown to "horrendous" proportions, with 17 million on the public payroll and only 18 million private job holders supporting it.

Those 17 million consisted of nine million on social security, five million public employees, two million in nationalized industries and a million working for firms which depended substantially on government aid.

He had a fearful vision in which nine of 10 Britons worked for the State in which two-thirds or more of their pay packets were taken away in taxes and in which most of their daily needs and pleasures were provided by nationalized corporations.

"As we emerge from the recession, we must face the basic choice: shall we continue in the same old pattern, with politics as usual, or shall we set off in a new direction?" In the last 10 years unemployment in manufacturing industry fell

by 600,000 while employment by local authorities increased by about 750,000.

In 1952 local authority employment was about one sixth of that of manufacturing industry. Today it is one third, Sir Geoffrey said.

"If this trend continues, then by the beginning of the next century we shall reach the ludicrous situation in which local authorities will employ more people than the whole of the manufacturing industry. Whereas in 1952 employment in local authorities was just twice that of the central Civil Service, today it is four times as large. Administrative and clerical workers increased by no less than 64 per cent."

Sir Geoffrey drew attention to the "unemployment force" in the 1976, but gave a warning that "winning or appearing to win, the battle is by no means the same thing as winning a war."

The danger was that an apparent short-term success would become the springboard for a set of policies that would take us back to accelerating inflation in 1977-78 and at a rate which would become far worse than the present.

Britain, he said, must learn the New York lesson. "If we as a nation carry on spending more than we have, providing more benefits and services, each one of which can be justified on humanitarian grounds, then we must have the means to pay for them. Otherwise the day of reckoning must come for us as a nation as it had to come to the city of New York."

Mr Michael Heseltine, Opposition spokesman on industry, said on Saturday that he was writing to trade associations and trade unions asking them what they think will enable their industries to do better. He said there was a great lack of understanding between government and industry and the Conservative Party should assist them to achieve a constructive partnership.

## Union leader urges TUC to drop flat-rate pay policy

By our Labour Editor

A union leader of 30,000 power station engineers today calls on the TUC to abandon flat-rate wage policies and the "arbitrary, mindless and unjustifiable" rule that the better off should get no pay-rise at all.

Mr John Lyons, general secretary of the Electrical Power Engineers' Association, gives a warning that higher paid staff in the power supply industry will not accept the same wage bargaining rules when the current incomes policy expires on July 31.

The EPEA leader has put his views long before the TUC ought to follow the 15 flat-rate version in the debate policy to the Labour movement over the next few months.

Writing in *Electrical Power Engineer*, his union's journal, Mr Lyons asks whether a sufficiently acceptable incomes policy can be devised.

The first thing to say is that sustained, in-depth consultation with the TUC is necessary. Acceptance of the flat-rate proposal which took place last year is out of the question.

The second thing to say is that there can be absolutely no repeat of the flat-rate concept. The EPEA and other unions went along with the flat-rate concept this time, but it will be a long time before we will contemplate the arbitrary, mindless and unjustifiable cut-off point of £8.30 per year must also disappear from any future incomes policy.

The TUC policy which has been applied in one form or another since the days of Ted Heath's stage two, of continuing to penal-

ize the craftsman, the face worker, the technician, the engineer and the manager—in a word, our industrial recovery—must be reversed.

The first job of the TUC is to see that workers at all levels get the rate for the job, he argues. "Incomes redistribution is a matter for the electorate and Parliament."

Mr Lyons's unrepentant advocacy of percentage increases runs strongly counter to the wage philosophy of Mr Jack Jones, general secretary of the Transport and General Workers' Union and the chief architect of the current flat-rate policy.

Mr Jones has argued that percentage increases automatically widen the gap between the lower paid and the better off. But the power engineers have twice in recent years resorted to industrial action or the threat of it to maintain their pay status.

Mr Lyons is not alone in making the case for a reversal of current TUC policy. Mr Terry Casey, general secretary of the National Association of Schoolmasters/Union of Women Teachers, also says in *Electrical Power Engineer* that workers in highly skilled and responsible positions were better off on percentage increases.

Casey, a teacher, like professional engineers, airline pilots, doctors and the whole range of desirable professional workers want to work within the broad range of movement for the improvement of the living standards of the community. But such movement when pay policy is being devised. The "called higher paid are every bit deserving of TUC support as any other group of workers."



## Pure energy, from Albert Sloane.

Albert Sloane knows about sugar. He should do: he's worked at Tate & Lyle's Liverpool refinery on Merseyside for 29 years. What's more, his father worked there before him for over 30 years.

Albert knows that sugar is pure, natural energy. Whether it's granulated, caster, icing, brown, cube sugar, golden syrup or treacle, he knows there's no finer, purer sugar in the world than Tate & Lyle's range and no wider range either.

He knows because he's one of the six thousand people in the Tate & Lyle refineries who work to make it for you.

For over a hundred years we've been refining sugar in Britain — mostly cane sugar from the tropics. Our aim is to go on serving you as in the past and our rearies are developing new technology and new products.

There's nothing you use in your kitchen that's purer. In these inflationary times, the sugar prices actually shown a considerable net reduction in this year.



So there's no cheaper waf giving your family the energy it needs than Tate & Lyle British refined sugar: pure energy, from Albert Sloane.

**TATE & LYLE REFINERIES LIMITED**  
London. Liverpool. Greenock.







## OVERSEAS

# US seems ready to give ground in Security Council debate if Arab states show moderation

From Peter Strafford  
New York, Jan 11

Members of the United Nations are waiting to see what the tactics of the Arabs will be in the Middle East debate which opens in the Security Council tomorrow.

The Arabs have the initiative, but it remains to be seen how far they will succeed in overcoming their own differences on the approach to be taken. If they decide to be uncompromising and introduce a strongly worded resolution, they can be sure of running into an American veto. If they decide to be more moderate, on the other hand, the debate will turn on just how far the Americans are prepared to go in meeting Arab concerns.

All the indications are that they may well be prepared to go further than the Israelis would like. Mr. Allon, the Israeli Foreign Minister, spent several days in Washington last week putting his country's point of view, but he did not get a promise of more than consultations if an issue arises on which Americans and Israelis disagree.

The main issue in the debate will be the Palestinians. The basic Security Council resolution, Number 242, adopted in 1967, simply refers to the "refugee problem", and there is widespread support for the notion that there should be some sort of recognition of the political status of the Palestinians.

The question is what sort of recognition. Mr. Allon said on Friday that he was even opposed to a resolution recognizing the legitimate rights of the Palestinians.

Many of the Arabs, on the other hand, would like a specific reference to the Palestine Liberation Organisation (PLO), and to the setting up of a Palestinian state.

Resolution 242 and Resolution 338, adopted in 1973, have generally been regarded as the basis of any settlement in the Middle East. The Americans

have threatened to veto any attempt to modify them.

Some Arabs want to modify the resolutions, either by bringing in a specific reference to the Palestinians, or else by changing the present ambiguous wording and stating plainly that the Israelis have to withdraw from all the territories occupied in 1967.

More generally, there will be the question of where the main Middle East negotiations should be held, in Geneva, as in the past, or in the Security Council in 1967.

The Syrians have long been opposed to Geneva, and the Israelis to New York.

The Egyptians have taken something of a middle position, with a call for resumption of the Geneva conference with the participation of the PLO.

The PLO is expected to take part in the debate which begins tomorrow, and Israel to boycott it. The Israelis, however, are trying to ensure that their voice is heard. Mr. Chaim Herzog, the Israeli permanent representative, will be making a public speech in New York just before the Security Council opens its debate.

Paul Martin writes from Damascus: Syria hopes to secure a new resolution from the Security Council which would call for Israel's withdrawal within a given period from all occupied Arab land and recognize Palestinian rights.

Among Syria's demands concerning the Palestinians are the presence of the PLO at all peace talks and the establishment of an independent state. The Syrians are determined to score a diplomatic victory and will not be deterred by the threat of an American veto.

"We prefer to face an American veto of a just resolution instead of accepting a weak resolution that passes because of an American abstention", Mr. Abdul Ghani Rafel, the Deputy Foreign Minister, said.

Such a stand is not supported

by Egypt which fears that forcing the United States to use its veto could reverse the gradual shift in American policy on the Palestine issue.

The debate, in which the PLO will take part, was the Syrian price exacted for allowing the United Nations peace force to remain on the Golan Heights. It will mark the first appearance of PLO representatives in the Security Council, and give them their most important victory in the diplomatic field since their admission to the General Assembly as observers 14 months ago.

The final draft of the Syrian resolution, which will be presented to the council towards the end of the debate, will be worked out after consultations with other Arab states in New York. However, its broad lines were outlined today by Mr. Rafel who said it would have the twofold aim of restarting the search for an overall peace and "reopening the file" on the Palestine case.

Clearly, as the threat of an American veto of any resolution prejudicing Israel's interests indicates, the Syrian move is fraught with dangers. A collapse of the session without anything emerging from it could create a diplomatic vacuum.

Jerusalem, Jan 11.—The United States has promised Israel that it will oppose any attempt to transfer the peace-making process from the Geneva conference to the Security Council, Israel announced today.

A Cabinet communiqué said Washington had agreed to "firmly oppose" any change in Resolutions 242 and 338. It would also block PLO participation in the Geneva conference unless the PLO changed its policy and recognized Israel.

The communiqué indicated that the United States had stopped short of promising Israel an automatic veto of any new resolution tabled at the council.—A.P.

Leading article, page 13

## Thatcher attack on PLO in Damascus

From Our Special Correspondent  
Damascus, Jan 11

Mrs Thatcher took her otherwise sympathetic Syrian audience back today by criticising the Palestine Liberation Organisation for its terrorist activities and delivering a lecture on the necessity for rule of law.

After tactfully avoiding the pitfalls of the Middle East conflict in the public appearances she made during her five-day visit to Egypt and Syria, she stumbled on the Palestine question as she wound up her Damascus talks.

The remarks made by Mrs Thatcher at her farewell press conference, in which she roundly attacked all terrorists and forms of terrorism, would have won full endorsement from British audiences. However, it touched a raw nerve.

Her clash with the Arab press came after she was asked about Britain's attitude to the PLO and why it did not recognize the organization. She replied that it had engaged in terrorist activities, the effects of which were known by people in Britain.

She reminded her audience that they were gathered in the room on the assumption that they were safe from the terrorist and that when they went to their offices or homes they would not suffer from terrorist attacks. "You are assuming the rule of law will prevail."

When one Arab journalist reminded her of the terrorist activities of Jewish underground groups in Palestine, she said: "I have no hesitation in condemning terrorist activity wherever it may occur because you cannot conduct relations between nations on that basis."

Looking exasperated at her audience's lack of enthusiasm, Mrs Thatcher explained that she was in politics because of her belief in certain principles. These were parliamentary democracy and the rule of law.



Cooling off: President Amin, in his gold and black striped pyjamas, takes a dip in the swimming pool of his Addis Ababa hotel before attending the OAU summit.

## OAU search for compromise

Continued from page 1

the charter of the OAU. He urged the summit to seek a compromise that would be in the interests of the Angolan people as a whole.

President Senghor's calm, somewhat academic oratory was in contrast to the revolutionary rhetoric of President Semora Machel of Mozambique and the committed statements in support of the MPLA made today by the leaders of the Somali, Guinea and Nigerian delegations.

President Machel insisted that failure to recognize the MPLA would be tantamount to siding with the enemies of Africa, and in a strong attack on the FNLA and Unita movements he accused them of collaborating with South Africa.

Mr. Holden Roberto said Dr. Jonas Savimbi, the leader of the FNLA and Unita, have arrived in Addis Ababa for the meeting. Mr. Lopo do Masci-

mento, the Prime Minister of the MPLA Government, is expected here shortly.

Mozambique and Guinea have adopted the most determined pro-MPLA position: both are threatening to leave the Organization unless the leftist movement in Luanda is recognized as the Government of Angola. However, a surprise meeting this morning between President Machel and President Mobutu of Zaire, the leader of the anti-MPLA faction, suggested that a compromise was being sought.

Despite some very strong words exchanged by pro and anti-MPLA groups, it is still felt the meeting will eventually approve a resolution which stops short of giving outright recognition to either group and thus avoids splitting the OAU.

The meeting is also likely to call for the withdrawal of South African and other unnamed forces from Angola.

At a press conference this morning Dr. Savimbi, the Unita leader, tried to play down South Africa's role in the conflict and denied that South African troops were fighting on the FNLA-Unita side. He wanted to see South Africa out of Angola, he said, but added that Unita could not fight a civil war and South Africa simultaneously.

Both the FNLA and Unita have been emphasizing the Soviet and Cuban involvement on the side of the MPLA. According to Mr. Hendrick Vael Neno, the Foreign Minister in the joint FNLA-Unita Government, there are now 10,000 Cubans, 700 Russians and 2,500 other foreigners on the MPLA side.

Addis Ababa, Jan 11.—After a dinner break, the OAU summit went into an all-night session, which Mr. Oau, the organization's spokesman, said could bring the meeting to an end sometime tomorrow.—UPI

## Phalangists advance on refugee camp

Beirut, Jan 11.—Right-wing forces of the Christian Phalangist party advanced on the outskirts of an encircled Palestinian refugee camp today in some of the fiercest fighting in Lebanon's nine months of civil war. Government sources said the guerrillas were trying to bring in reinforcements from Syria.

At least 50 people were killed and 100 wounded over the past 24 hours of intense fighting in Beirut, the police said. The fighting raged across the capital, from its shell-shattered luxury hotels to the burgh eastern suburbs.

The overall toll of casualties since April climbed to about 8,350 dead and 17,750 wounded. The heaviest fighting was centred in the southwest suburbs where the Phalangists, using incendiary bombs, armoured cars, pushed Palestinian lines to within 50 yards of the Jisr al-Pak refugee camp.

Government sources on a firm newspaper report that two heavy loads of Palestinian Liberation Army troops had crossed from Syria into northern Lebanon during the night in what appears to be an attempt by the Palestinians to reinforce their positions around the Jisr al-Pak and Tel al-Zaatar refugee camps.

"Strict security measures have been taken to prevent those elements from heading towards the capital," the sources said.

In the Chiyah area of Beirut, a force of Palestinian and Muslim gunmen seized one of the convoys, a photographer who witnessed the incident said. They captured eight Army tanks and personnel cars and took the remaining soldiers prisoner.

The other convoy came under shelling from Phalangist forces while it attempted to reach the camp by another route and was turned back, witnesses said. "The Army has notified that it is cutting off its attempts to get food through because of the bad security situation," a Palestinian spokesman said.

Phalangist spokesmen have said that they would break the Phalangist blockade round the two camps by force if the Army failed in its promise to escort supplies through. The guerrillas have several thousand fighters from five other camps round Beirut who have not yet been called into action.

Explosions and gunfire ripped through the hotel district and in the city centre, when Muslim gunmen attacked Christian positions to try to capture the control of strategic intersections after the capture of the capital among casualties was a UPI photographer, Mr. Varouj Mavrouk who was shot twice in the right leg while covering the fighting from the leftist side.

The squabbling Christian and Muslim factions in Beirut, Karami's Government are apparently not even on speaking terms with one another, let alone working to establish another truce. "The Government has ceased to exist," a source close to Mr. Karami said.—UPI

## Emotional farewell as body of Chou leaves hospital

From David Bonavia  
Peking, Jan 11

Hundreds of thousands of people, many of them obviously choking back tears, lined Peking's main boulevard tonight as the hearse carrying the body of Chou En-lai, the Chinese Prime Minister, was driven off in a cortege of black cars.

where he died on Thursday. His remains were cremated and the urn containing his ashes taken to the Temple of Imperial Ancestors near the Forbidden City.

of public mourning built up steadily the news of his death seemed to sink in among the Chinese people. At a large souvenir shop in the centre of the city, people jostled each other to buy black-and-white portraits of Mr. Chou printed on silk.

At the hospital where his

body was laid out, a stream of friends, relatives and close associates was admitted and many emerged weeping openly.

Many people on the streets wore black armbands and some carried white mourning wreaths. In some parts of the city, householders erected small flagpoles with the red-and-yellow flag of the People's Republic of China.

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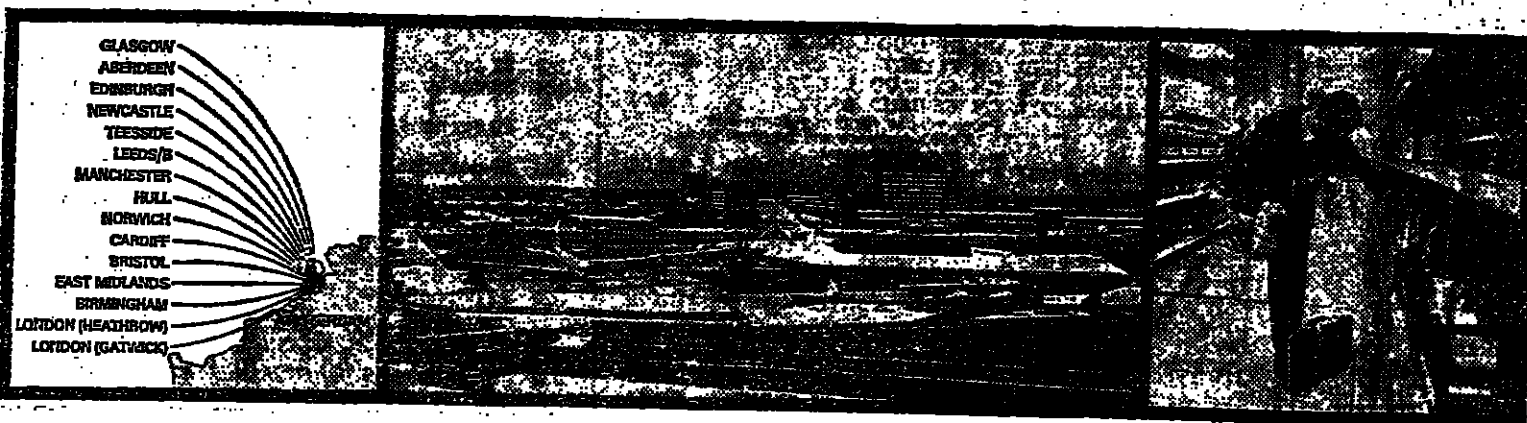
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## In brief

### Eton desks at \$150 apiece

New York, Jan 11.—Desks from Eton and Harrow, including carved initials and succinct, topical comments by generations of British public schoolboys, were put on sale here today.

Gimbels, the New York department store, is offering 154 desks taken from the classrooms of the two schools for \$150 (about £75) each. Its advertisements proclaim that "English lords, prime ministers, celebrated authors, military strategists, headed the headmaster's every word at desks such as these—perhaps at these very desks."

### Voice of calm

Adelaide, Jan 11.—Mr. Don Dunstan, Premier of South Australia, attempted to prevent a panic among the city's residents by a local chair voyage that Adelaide would be spared by an earthquake and tidal wave on January 19, today asserted that he intended to spend that day on a city beach.

### Briton's top post

Madras, Jan 11.—Professor Dorothy Hodgkin, the British winner of the Nobel Prize in chemistry 1964, was named here as president of the International Pugwash Movement, a group of scientists who meet regularly to discuss problems of world security.

### Missing ship clue

Tokyo, Jan 11.—American search pilots hunting for the missing Norwegian ice carrier Berge Litra have spotted debris in the western Pacific, but could not tell whether there was any connexion with the ship, the rescue centre announced here.

### New leader named

Tananarive, Jan 11.—President Ratsiraka of Madagascar today appointed Lieutenant Colonel Joel Rakotonmalala, aged 46, a member of the Supreme Revolutionary Council, to head a new government.

### Wrestler breaks neck

Lyallpur, Pakistan, Jan 11.—A 15-year-old wrestler died of a broken neck after he had been thrown to the ground during a bout here. Police arrested his opponent and the referee.

## 30 missing after explosion in US hotel kills 11

Fremont, Nebraska, Jan 11.—About 30 people are believed missing after an explosion in a hotel here yesterday which killed at least 11 and injured 40 others.

Authorities said that the total of missing was still not known after the explosion and a subsequent fire which devastated the six-storey Pathway Hotel and several surrounding buildings. Mr. Francis Hurt, the assistant police chief, said it was not known how many were in the hotel at the time.

Mr. James Rhoads, the hotel manager, said he had smelt gas "all over the place" for about an hour before the explosion and three gas company employees were searching for a leak shortly before the blast. The three were among the missing.

The hotel was reduced to rubble and police said they expected to find more bodies.

The known dead were elderly residents of the Pathway, the main hotel in the town of 25,000 people about 100 miles north-west of Omaha.

Mr. James Rhoads, the governor of Nebraska, declared the town a disaster area and sent in troops of the state National Guard to help local authorities. The area around the hotel was cordoned off to keep away possible looters.

Many residents were without gas and electricity as power lines remained shut off. Witnesses said that men and women wandered around the hotel, shouting the names of relatives and friends still trapped in the blazing building.

Shortly before the roof caved in, one woman was seen leaning from the top floor, shouting that she was unable to breathe.—Reuters.

## Tight-lipped policy of new Australian Government

From Our Correspondent  
Melbourne, Jan 11

After the first four weeks of Fraser government, it is already clear that the Whitlam style of open government is a thing of the past. Mr. Malcolm Fraser's team shows all the signs of being the least talkative Administration since that of Sir Robert Menzies 10 years ago.

For example, Mr. Fraser's ministers may not make statements about Government policy in advance of a Cabinet discussion or without his consent. It is a deliberate policy. Mr. Fraser has always been convinced that one of the most damaging faults of the Whitlam Government was its unrestrained style of public decision-making.

so great that for the time being at least he will have no difficulty in playing things his way. Unlike his Labour counterpart, he can hand-pick his ministers and dismiss any of them at any time without explanation.

Senior Canberra commentators already are talking of "Fraser authoritarianism" and suggesting that he will continue to treat the press with contempt.

He has not given a press conference since he took office and it has been said that the House of Representatives is the only place for issues to be discussed.

Yet even at question time those involved need not give adequate answers, and the procedure therefore falls short of a forum where all issues can be debated and examined in detail.

The Cabinet of 12 senior ministers meets this week for its first full working session. As expected, Mr. Fraser's press secretary last week refused to discuss it, saying it was not his practice to give information beforehand.

Nevertheless, it is believed that the Cabinet will approve two major appointments: the new ambassador to the United States and a successor to the late Richard Downing, chairman of the Australian Broadcasting Commission.



## Reece makes the most of easy conditions

21-18, 19-21, 18-21, 21-19.







## Racing

**By Michael Phillips**

## Windsor programme

[illegible][illegible]

45 BEARWOOD HURDLE (Handicap : 540S : 2m 30yd)			
1	00b-103	Lorless (CD)	(Mrs S. Williamson), D. Morley, 7-11-7
2	r-0	Peddleside (Mrs R. Lingham), S. Supple,	9-11-7
3	223	Harry Zephyr (A. Lacey), J. Duggan,	7-10-10
4	227	Prince Rata (D. Macdonald), M. Macdonald,	9-10-10
5	031a	Wing (J. Carter), Carter, 7-10-15	D
6	241300-	Banfyke (C. Dodson), S. Moler,	9-10-15
7	241302-	Seira (A. Neave), Neave,	9-10-15
8	4000-00	Stevens, 7-10-10	N
9		Harmon Smith (V. Matthews), R. Ambridge,	7-10-9
10	1-00004	Mandy Bay (F. Pullen), J. Clufford,	9-10-7

[illegible]

**30 GOLDEN MILLER HURDLE (E1,482 : 2m)**

1 1111 Asdic (D) (Mal Gen J. d'Avignon-Goldmidt), S. Hughes  
2 11 Acquistal (DY) (J. Henderson), F. Winter, S-11H  
3 3211 Asdic (D) (Mare M. Stadel), J. Gifford, S-11H  
4 302P True Lad (Mrs E. Swallow), G. Swallow, S-11H  
5 1 Asdic, 15-6 Sperdine, 4-1 Acquistal, 10-1 Purestry, 3-2 Tre

**40 WYMSWOLD STEEPCHASE (E997 : 21m)**

Gunsberg How (D) (N. Vignoli), D. Canfield, S-15P  
1-0004  
1 1111 Eagle Meadow (R. Pilkington), M. Kilgour, S-15P  
2 1112 Parthenon (P. Macdonald-Buchanan), Thomsen, D-15P  
3 1113 The Duke (A. B. Buchanan), Thomsen, D-15P  
4 1114 Sahel Express (K. Macdonald), Mrs A. Brunan,  
5 1115 The Duke (A. B. Buchanan), Thomsen, D-15P  
6 C-254C Guyward Whirlwind (S. W. Warren), S-10P  
7 Guyward Whirlwind (S. W. Warren), S-10P  
8 Wymondsey How, 3-1 Double Negative, S-1 Saint Spridon, D-15P

**1:down Park**

1-1. 1. **Sabied** 7-1; 2. **Summer Juice** 7-1; 3. **Opheast** 7-1; 4. **Warner** 7-1; 5. **10-16** fav.

1-2. 1. **Open Fire** 9-2; 2. **Torrey** 9-2; 3. **W. 10-16** fav.

1-3. 1. **Money Market** 12-1; 2. **Love** 12-1; 3. **10-16** fav.

1-4. 1. **Super Train** 13-1; 2. **Shinto** 8-1; 3. **10-16** fav.

1-5. 1. **Caroline** 13-2; 2. **Volgan** 13-2; 3. **10-16** fav.

1-6. 1. **Luna Sage** 4-1; 2. **Light** 4-1; 3. **10-16** fav.

1-7. 1. **Builder** 4-1; 2. **10-16** fav.

**Market Rasen**

12-43. 1. **Last Admiral** 12-43; 2. **Gold Sweater** 12-43; 3. **Yama** 12-43; 4. **18** ran.

1-15. 1. **Supreme Salt** 1-15; 2. **Good** 1-15; 3. **10-16** fav.

1-16. 1. **Night** 1-16; 2. **Not** 1-16; 3. **10-16** fav.

1-17. 1. **Hemlock** 1-17; 2. **Corn** 1-17; 3. **10-16** fav.

For the record

**Hockey**  
LONDON LEAGUE: Becontonham 0.  
Surrey 1; Bromley 1; Chesham 2.  
Hitchin 1; Herts 1; Hounslow 3.

**Boxing**  
LAS VEGAS: Heavyweight  
Norton (USA) beat Pe  
(Argentina), no 5th.

**WOMEN'S TERRITORIAL B TEAMS:**

North 0, West 0, East 3, Midlands 3, Champlain 3, North 3  
0, South 3, Combined 6 Services 0;  
North 0, East 0, West 2, Combined  
Services 2; Midlands 3, South 3.

<b>HIRST DIVISION:</b>	Dewsbury	3.	15-4.	Cars' goodness
Wigan 13.	Prestonstone Rovers	7.	Bridge and Miles R. Ho	
Lough 12.	Kelkield 6.	8.	Miss E. T. Purtick and M	
Ocham 10.	Hull Kingston Rovers	9.	15-7.	8-16. 15-12.
S. Helens 14.	Bridford Northern	9.		
S. Helens 7.	Railroad 7.	9.		
	Midland 7.	9.		

**SECOND DIVISION: Eastern 20. New  
Preston 7; Blackpool 3; Whitehaven 8;  
Dunfermline 4; Bally 16; Malpas 3;  
Hinton 7; Hull 15; Rochdale Hornets  
11; Leigh 7; Workington Town 13;**

**Golf**

JOHANNESBURG: Sen. A. Henning.  
D. Harnes.

60. 70, 80, 90, P. Formated (GB).  
61. 71, 81, 91, G. Hanning.  
62. 72, 82, 92, G. Hanning.

17 D404-14, Speed Cop (G. Tufts), Rex Carter, 3-10-0 ..... J. Schmitt  
2-1 Redbin, 3-1 Mandy Boy, 5-1 Levantine, 6-1 Setra, 7-1 Prime Rate  
18-1 Speed Cop, 12-1 Ballyjojo, 16-1 others.

[illegible][illegible]

**Windsor selections**  
 By Our Racing Staff  
 1.15 Leading Candy. 12.45 Landing Party. 1.15 Pagos Boy. 1.45  
 2.15 Leading Candy. 2.15 Canasta Lad. 2.45 Tashilisa VI. 3.15 Comet Koho  
 2.45 TEXTRON is specially recommended.  
 By Our Newmarket Correspondent  
 1.45 Baromet. 1.15 Staredo. 1.45 Levantine. 3.15 Tornado Prince.  
 Jim Coiner.

[illegible][illegible][illegible]

514

**Tennis**

**HOBART:** Davis Cup: Australia beat Indonesia. 3-0.

**AUCKLAND:** New Zealand Open championships: Men's singles, semi-

**Cricket**

**GALLE:** Tour match: 8-513 for 6 wickets. 1st day.

Zimbabwe Abingdon 1st day.

Test match: Sri Lanka batsmen 17.5 for 1 two-day match.

Final round: O. Paron beat H. Moore 7-6; S. Africa, 7-3; (Women's singles, 7-6; S. Pacific beat R. Russell (trials), 6-2; Paron beat Furbie, 6-2; (Final, 6-2; Woman's singles, (Final round: Mrs. H. Maathoff won by 187 runs.

[illegible]

married wood  
 155 A. Boat  
 meat; women's line; Miss L. Bushu  
 beat Miss A. Du Plon. 1—  
 MEXICO CITY. E. Gibbs —2. R.  
 H. Solomon (US) —3. (US) beat  
 Ramirez and G. Gourley  
 C. Masters and R. Case (Australia).  
 156 A. Boat  
 round: Queensland 152  
 W. J. C. Maclean 3v. W. J.

COLUMBIA. Ohio: A. P. Smith  
 (Rhodesia) beat C. Drysdale (South  
 Africa). 3-2. 3-2. Aaha  
 beat P.  
 Dart (Australia).  
 LAKENAY. Texas: Mrs. R. Cawley  
 (Australia) beat Miss S. V. Wade  
 3-0. Miss C. M. Evert

BREWEN, West German, indoor  
 champion, 1936; Women's singles  
 final round, Miss L. Winkler; Miss  
 A. Cor (1937), best of 5, Handa,  
 1938; 1939, 1940, 1941, Miss Mottram beat  
 her in 5 sets.

ork blunders  
man 3.

## Waiting for the call to the White House



Hubert Horatio Humphrey is sitting out the preliminary rounds of the American Presidential contest, hoping for a bygone in the finals. Three times he has already sought the Presidency, and failed. The second time, in 1968, was so close that he had 400,000 votes in 73,000,000 gone his way. Other way, he might now have been at the climax of his second term at the White House instead of being the "junior" Senator from Minnesota.

At the reaches 65, he insists he will not seek the Democratic Party's candidate. But if it is offered to him—if the grueling intransigence of primary elections ahead grind to a halt—black among the dozen or so contenders—black—by convention time in July he will be "available" to be drawn in as a compromise choice. He says it is probably the pitthest chance for this irrepressible, the valuable man ever made, he says: "A valuable man, and run and win." If true, a year from now we shall be preparing for the Humphrey inauguration.

It is an improbable bet hurrah. Senator Humphrey agrees the odds are long, for all his unimpeachable record for office. But he agrees, because none of the other candidates holds half the man Humphrey has. He agrees, because he is a man who has a lot of otherwise sensible ideas that have become caught up with a frenzied

Mr Humphrey also says he has no taste for the testing business of campaign financing, and never knowing, as he puts it, whether the latest check came legally or not, or was a "lauded" company contribution. It was for accepting illegal corporate contributions that Mr Humphrey's 1972 campaign manager, Mr Jack Chestnut, was sentenced to a jail term.

Mr Humphrey would not speak publicly of the scandal, if not quite the mini-Watergate or mini-Chappaquiddick some have depicted. The fact remains he would have to answer raking over of such incidents as this.

Also he would face questioning on how he can stomach having his 1972 campaign debt of \$900,000 (about \$450,000) liquidated at a rate of one New York City would equivalent of 3 cents on the dollar. Newspapers and suggestions that the companies concerned are thus discreetly betting on Mr Humphrey's 1976 chances. Mr Humphrey admits he has authorized "an elaborate but it is clearly an overstatement to say he has a \$100 million commitment to after Watergate."

Mr Humphrey's political acts are being judged by today's standards. But such statements are hardly conducive to support from youth.

must be a political party organization." However, Minnesota has never yet produced a President.

Having founded the ginger group ADA (Americans for Democratic Action), Mr. Humphrey jumped in 1949 from Minneapolis City Hall into the Senate. He was a leading liberal member, an active proponent of ever greater government programmes and an advocate of foreign aid. His interests broadened to foreign schools. He was both champion of foreign aid in its herday and an expert on disarmament. He is a proud Atlanticist.

He ran for President in 1960 and was defeated in landmark fashion, the upstart John Kennedy in West Virginia. When Lyndon Johnson left the Senate to become Vice-President, Mr. Humphrey rose to the position of majority whip, second in line to the majority leader. He sponsored the test ban treaty through the Senate. Come 1964 he stood around while Lyndon Johnson dismantled several men with the Presidency before finally choosing Mr. Humphrey. Part of the reason was Mr. Humphrey's already well established appeal to blacks—an appeal he carries out this day possibly in excess of any other white contender for the Presidency.

Fashionable communism was once it was forced by the evidence to let go of the Kennedy for a Kennedy. By December last year Mr Humphrey was better as non-candidate than he had ever done during his earlier years of avid pursuit.

Pundits in Washington kept rolling the idea round their lips into their columnar—against the advice of the political professionals. It transferred itself to the opinion polls. In the great Christmas poll sure sign something is odd at the time—Mr Humphrey was first of all choice in the Harris survey, far and away winner over either Mr Gallup Poll he was. Then in the ensuing Mr Humphrey was the man defeated by both Mr Ford and Mr Reagan. Mr Humphrey could console himself with the fact that it was he, a member of the 10 declared Democrats, who was the yardstick.

Why is such an epidemic "front runner"—a man many people, whatever the party, consider to be one of the best qualified to be President, and furthermore the most inexhaustible of campaigners all time—striking out of the struggle, at the risk of being passed over by the voters?

The answer is, it is that it would be a disaster if Mr Humphrey is so illiterate that it would breed contempt on the stump again. To

All these factors would, of course, be used against him by Republicans who finally the Democratic nomination. The difference would be the assumption that by then the Democratic Party would have been behind him, whatever the war record. With only a Republican to fight, he could be counted upon for a vigorous and robust campaign.

Of pending issues, the economy would be best suited to him. His record would be the most articulate. American leading politicians on the economy, he is also to be seen as a self confident, and almost unshakably unmoved by all the modern clamour against "big government". He passionately believes government exists to help people, especially the poor. Nothing would be more than the candidacy of Mr Reagan's narrow appeal to the nostalgia of rugged individualism.

Mr Humphrey's compassion is rooted in his background. He is the son of a chemist in South Dakota, and the thirties depression put paid to his first attempt at college education, as well as to the first time he worked in the shoe store where he qualified first as a salesman and later, when he was impaired, taking a political science degree in Minneapolis. He will not have it that government must dump the heritages of the New Deal and the Great Depression.

The Vice-Presidency was frustrating for a man of Mr. Humphrey's restless zest. Mr. Johnson, like all Presidents, let no one speak for him, and when Mr. Humphrey tried he was reminded of Mr. Humphrey. Nevertheless that period led Mr. Humphrey to grieve with the most natural allies. He was a member of the liberal faction of the party, and he became associated with the Vietnam policy, even though, demonstrably, he virtually no say in the secret council. Where he became vulnerable was in public rhetoric.

He spoke of transcending the gross society across the Pacific; he spoke of a new feeling of the land reform that would be wrought in South Vietnam. There is no reason to think he did not believe it all. It haunts him to this day, some of the intractable liberals will probably never forgive him.

In 1968 his late-developing candidacy was undermined by a jealous LBJ, even though he had taken himself out of the race, wanted loyalty to the end. Just before the election, Mr. Humphrey brought the official policy of the Democrats to the communists (Mr. Johnson did so on election eve). Mr. Humphrey made an incredible catch-up in those final weeks.

special breed of Democrats, mostly liberals who relish the blood and dust of the primary campaign, and dominant in the party he would seem shopworn. His special political capital at the moment lies in appearing to the public at large to be the party's statesmanlike alternative to the squabbling through the primaries. His intangible asset might turn to dust if the moment he stepped back—down, as he might say—into the arena again.

Mr. Humphrey puts it only slightly differently himself. "There he is again," is what he thinks, doubtless correctly, every time say we're here, put all his protestations aside and run. He admits his wanting to be President and his desire to win. But if the social becomes incalculably as hopeless, then the ludicrous develops—as proven by the whose name is an epitome of the politically futile: contender, also from Nevada, Mr. Harold Stassen.

Mr. Humphrey has other reasons for being agree to going through the paces of the 30 scheduled primaries. The first of those, it is known, was his two years ago, cancer of the bladder, which he nearly died during the p.

Had there been no such structure in place today, he insists, the recession the country has just through would have collapsed into catastrophic depression. No one has contradicted that.

His government experience dates from his being elected mayor of Minneapolis in 1945, as reform candidate. He became national figure in the 1948 congressional campaign successfully with a memorable speech for a civil rights plank in the platform.

What is it, asks that superb manual *Almanac of American Politics*, that produces such a fantastic crop of political talent from Minnesota?

"Of this size—or any size—has produced many presidents or any candidates in recent years, and few have maintained considerable legions of similar distinction," says Mr. Humphrey's colleagues, Mr. Eugene McCarthy, Walter Mondale, Orin Freeman, and Donald Fraser, as well as two current Supreme Court justices Warren Burger and Harry Blackmun.

The answer is not so much Scandinavian northern air of this great Second Empire German province as the late DFLer is the elusive "Minnesota Farmer Life Party" was the Democratic Party, of which Mr. Humphrey was one of

but was pipped at the post by Mr. Earl Warren, who was elected to the Supreme Court by Mr. Humphrey's vote. Mr. Humphrey was elected Senator in 1970, and again ran for President in 1972. He helped eliminate the filibuster from the Senate, and then from the House, and finally played spoiler of Mr. McGovern's campaign, finishing to the bitter end in an uneasy squabble over the California delegation in a way that ruined much of the subsequent campaign. Mr. Humphrey returned to Mr. McGovern's replacement, Vice President candidate when Mr. Earl Warren was unceremoniously dumped in the face of his earthshock therapy.

In many of the older generation, Mr. Humphrey inspires a sort of loavability for other politicians can match. His unabashedly inspirational style, his optimism, he thinks that "the political joy", and if people think that it is difficult, he insists the system can be made to work. He is particularly insistent there must be federally financed job programmes to fight the social cancer unemployment. In this he is obviously loved of the black establishment leadership, and of the older trade union leadership.

There have been enough somersaults in recent American politics to act as a

Now, arguably, as a leading member of the Senate Foreign Relations Committee, relied on by Dr Kissinger as chairman of the Joint Congressional Economic Committee, he is having more influence than at any time in his political career.

But his health would be bound up scrutinized in the primaries, as witnessed by the physical strain. The presidential campaign against the Russians is the vital thing runs his real

founders. It has averted all the pitfalls of the old city Democrat machines, produced great attraction for idealistic, talented liberals. Ever since 1948, with Mr Humphrey it swept the state and has dominated the state's politics. Men hold all the state's top elective offices—they have both United States Senate seats (Humphrey and Mondale), fill the eight House seats, and a major role in both houses in the state legislature. Some almanac notes that in an apparent party indifference "the

Nixon's comeback was one such un-  
derdog triumph. Even more  
fetched, his resignation even more  
tactics, would, I feel, be better suited  
a British type of deadlock. Then  
withstanding, he starts this electoral  
in better form than he has a right to  
expect.

**Fred En**

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**Fred Emery**

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## by Peter Hill

madou Ahidjo spoke recently of an important oil deposit being found on the frontier with Nigeria.

Oil companies involved in exploration, which has tended to concentrate in the offshore areas, include Shell, Mobil, Gulf Oil, and Elf-Serepa. The most successful prospector for hydrocarbons in Cameroun has been the French company, Elf, which, according to domestic oil sources, has confirmed three offshore finds as being potentially commercial and in the middle of last year was engaged in drilling an oil rig close to the maritime frontier with Nigeria.

The amounts of money expended by the oil companies on the exploration programme are fairly small by world standards. Santa Fe, an American company drilling on its own account on an offshore concession earlier in 1975, invested some \$4.5 million in a series of unsuccessful drilling, while Mobil last summer invested about \$10m on some 134 days of drilling which confirmed a further gas reservoir.



## Big plans for power

In the former Cameroun, production distribution of electricity was undertaken by two public companies, *Electricité du Cameroun* (ENELCAM) and *Electricité du Cameroun* (EDC). In the former Cameroun the state-owned West Cameroun Electricity Corporation is responsible for the Edea complex with three generating stations operated by ENELCAM. The EDC deals only with the public distribution of electricity and a small thermal power station at Yaoundé and Douala.

11 secondary locations of the power generation. However, the Government of the Vayotsk region has been considering into a plan which has been approved by the ENELCA, 59 per cent stake in taking a substantial stake in the new gas power stations. Between 1966-67 73 percent of the total output of the power plant is put into turbines and other equipment and the rest is doubled, and the total is envisaged the projected lines." A large number of lines to be connected to the power plant. The first time and together with other improvements, the first 3,000 francs were spent on the construction of the power plant.

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- The Commercial, divided into sections: Import and Export; Trade;
- The Industrial Section, comprising three sub-sections: Mining Industry; Manufacturing Industry; Public Works
- The Service Section, which includes:
  - 1. Banking and Finance; Credit
  - 2. Insurance, Re-insurance
  - 3. Transport - Transport - Trade
  - 4. Sea and Navigation
  - 5. Miscellaneous

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**Chamber of Commerce, Industry  
and Mines of the  
United Cameroons Republic**

**DOUALA - B.P. 4011    Tel. 42.28.88.28**  
**Cable address: CHANCOMER - DOUALA**

A black and white photograph of a large, classical-style building, identified as the Chamber of Commerce. The building features a prominent portico with several tall columns. Above the portico, the words "CHAMBER OF COMMERCE" are inscribed in large, bold letters. The building has multiple windows and a symmetrical facade. The photograph is grainy and appears to be a reproduction of an older print.

- the Commercial Section, divided into 3 sub-sections : Import, Export and Internal Trade ;
- the Industrial and Mining Section, comprising three sub-sections : Mining Industries, Processing Industries, and Public Works ;
- the Services Section, which includes the following sub-sections :
  - Credit — Banking — Insurance, Road Transport — Transit — Air, Sea and Land Navigation — Docks and Miscellaneous.

It has 100 elected members, of which 50 are

established and 50 acting members, with the acting members being called upon to deputise for the established members should they be absent or prevented from attending.

In addition to its consultative rôle, the Chamber of Commerce is responsible for :

- the supply of information to its Members and Nations throughout National Territory ;
- contact between businessmen in the Cameroons and abroad ;
- arbitration between various categories of financial agent in the State ;
- promotion of commer.

cial, industrial and tourist exchange by means of International Fairs, where the Chamber endeavours to encourage owners of capital and technical resources to take a greater interest in the development of the Cameroons economy and to share in it by taking advantage of the generous and comprehensive Lovénstam Offer formulated by the Government.

The Chamber publishes a monthly Bulletin which is distributed all over the world.


**Delegations at Yaoundé, Garoua, Victoria and Bafoussam**

In the international sphere it is worth mentioning that the Cameroonian Chamber of Commerce is a member of the International Chamber of Commerce and plays an active part in the UDEAC Congress of Consular Assemblies which meets once every other year in each capital of the States of the Union in turn.

Finally, in consideration of its powers, its functions and its composition the Cameroonian Chamber of Commerce, Industry and Mines submits its detailed annual report on the economic state of the nation to the President of the Republic.



## Time for the Tories to drop their petty differences



Mr. Heath: unconscious h

position where she can take  
whatever steps she thinks nec

sent by bringing back Channon, Mr Peter Walker and Sir Timothy Kitson. The appointment of Mr Walker will be contentious, but he remains a first-class instant politician. The next reform would affect Central Office and the return of health of Mr Francis P. seems to offer a solution. Any rate somebody must improve the present haphazard lack of liaison between

A re-form on these lines would direct attention to policy making and Sir Keating Joseph, whose activities appear shrouded in mystery. The party should now aim above all at unity, but can this be achieved?

By this, in turn, raises the question of working parties which are of inestimable value not only in working out acceptable policy but also in associating doubting and independent members in a common cause. What has happened to them? Surely they should play a major role again. Nothing would be more damaging to the chances of winning the next election than if policies are produced at the last moment which are not acceptable nor understood.

the whole party, participation not only skills criticism, pleases and flatters members and prevents disagreement.

It is time now for M. Gilmour to make changes of this kind; but even if she does they will be unavailing unless there is a changed attitude towards her by Cabinet members. Her own Shadow Cabinet of which she is the only member is giving rise to the suspicion that she is unable to control a cabal of independent men.

Mr Gilmour, for instance, has a fine intellect and can exhibit when he wishes a mastery

the House, but the time has come for him to stop "hawking his conscience around" and to become a Conservative. George Laundy, then there is the position of Lord Carrington who is said to be expressing a desire to leave politics altogether. It is to be hoped he will have second thoughts as he, along with Whitelaw, now stands alone as representative of the great Conservative tradition of personal disinterest and his loss would be felt both consciously and unconsciously in the party.

bury. Then there is the position of Lord Carrington who is said to be expressing a desire to leave politics altogether. He is to be hoped he will have second thoughts as he, along with Mr. Whitelaw, now stands almost alone as representative of the great Conservative tradition of personal disinterest and his loss would be felt both consciously and unconsciously in the party and the country.

So if Mrs Thatcher decides to form a new Shadow Cabinet to unite the party, so it is to

The Conservative Party to unite behind her. If ever there was an occasion for dropping party differences and individual wishes, this is it.

The divisions between the wings of the Conservative Party are non-existent compared with the differences between a free state and modern socialism, with all its implications. Yet it is upon the form that a section of the party seems to dwell. Cannot it understand the simple brutal fact that Mrs. Thatcher is the Leader of the party and will fight the next election and that if she is defeated in 1950 after a further five years of socialism there will be few Conservative beliefs left to 'conserve'.

ites: German Chocolate Cais, dark and rich, full of walnut size and nutterscotch; and Blueberry Cheesecake, an ice cream translation of the classic New York dessert.

An English teenager who accompanied me had small scoops of Fresh Coconut ("good flavour" he judged); Peppermint Fudge Ribbon ("very minty"); Blueberries and Cream ("a bit too rich and syrupy"); and English Toffee

The uncertainty about the Olympics has been reflected in two postponements of a BBC reception at which Cliff Morgan and Sam Leach were to have

announced plans for the television coverage of both the winter and summer Games. It should have been held on January 5, was postponed until today and then put off again by an apologetic telephone call to newspapers on Friday. This time no new date was announced.

day I had lost a total of 4oz. all of which was water, and I felt clean, glowing and very weak. "You put it on again as soon as you have a drink," the nurse said. I drove into Times Square and bought the fol-

An English teenager who accompanied me had small scoops of Fresh Coconut ("good flavour", he judged); Peppermint Fudge Ribbon ("very minty"); Blueberries and Cream ("a bit too rich and

to America and he will think instantly of ice-cream in 31 ever-changing flavours, some of them bizarre. The firm of that name has branches across the United States.

A shop which seeks to improve

duce their kind of ice-cream to London has just opened unseasonally in the Finchley Road. It is called 32 Flavors Original American Ice Cream, and is the brainchild of Gabriel Guttman, a former New York stockbroker.

Normel Kolpas, a professional American (he once tested hamburgers for me), visited the new facility, after hearing tales of an American living in Surrey who drove for three hours in fact to buy four-pound packs at

Gutman unfrights his dairy ingredients from American suppliers. They are mixed, according to 450 different recipes and his own self-indulgent tastes, in a small factory behind the shop.

e. I tasted two of my old favour- 1 110





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## CAN THE SCOTS BE SATISFIED?

The four-day debate on devolution which begins tomorrow will be a test of the breadth of vision of the House of Commons. Since the publication of the White Paper the trend of opinion among English MPs seems to have become increasingly critical of the intention to create Scottish and Welsh assemblies. In Scotland, on the other hand, there has been considerable disappointment that the White Paper does not go further.

There can be no guarantee that any form of devolution will be enough to satisfy Scotland in the mood developing there. But the evidence still suggests that most Scots want to have more control over their own affairs without leaving the United Kingdom, and the best hope lies in a measured advance on the White Paper's proposals. There are three points in particular on which the complaints have focussed.

The first is the role of the Secretary of State. Here there is some danger of the critics mistaking the shadow for the substance. Partly to reassure integrationists and partly to justify retaining the office of Secretary of State, the White Paper was drafted so as to emphasize his theoretical powers and has thereby given an exaggerated impression of the discretion he will possess in practice. There has been especial indignation at his power to procure a veto of a Bill passed by the assembly on grounds of policy as well as of administrative efficiency. If this were used over mere points of disagreement it would provide the greatest possible threat to the continuation of the United Kingdom. But for that very reason any Secretary of State who did not have a political death wish would be likely to activate a veto only as a last resort.

The issue may have become of such symbolic importance that Scottish opinion will never be satisfied with such an arrangement. In that case it would be possible to give the assembly as much authority in the areas of devolved responsibility as was possessed by the former Stormont regime in Northern Ireland. But it would have to be provided that European legislation in any devolved field applied automatically in Scotland, whatever the assembly might say; and so long as the sovereignty of the Westminster parliament is maintained an ultimate power must be reserved to intervene on policy grounds if something is being done that is incompatible with the principles of the United Kingdom.

The role of the assembly will depend more in practice upon the areas of responsibility that are devolved to it and upon the method of financing it. The main gap in the White Paper is the failure to give the assembly any specific powers in the economic field. Ministers argue that it would not be to the benefit of the Scottish economy to give the assembly responsibility for industrial development since an effective regional policy depends upon positive inducements to industry to expand in a favoured area being complemented by a policy of restriction elsewhere. The system of industrial development certificates that have prevailed in the south-east of England, for example, therefore, is maintained. Responsibility for industrial development must be exercised for Britain as a whole. But that takes no account of the political dimension.

For years many Scots have believed that their economy

would be more prosperous if it were better treated by the United Kingdom government. They will never be satisfied unless the assembly has the chance to try for itself. The government should now rethink this section of their proposals starting from the proposition that some economic powers must be devolved. As a start the assembly should be responsible for all the activities of the Scottish Development Agency and for the industrial grants and loans now administered by the Secretary of State.

The White Paper proposes that the assembly should be financed almost entirely by an Exchequer block grant—little use is likely to be made of the power to levy a surcharge on the rates. As it stands, this arrangement would provide for an annual ritual conflict between the assembly and London and would limit the assembly's effective discretion even in devolved fields. The assembly will need a somewhat greater power to levy taxes of its own and a better means of computing the block grant must be found.

There are other matters on which the Government must think again, including the method of election to the assembly and representation at Westminster. But what matters above all this week is that the Commons should respond with imaginative awareness to the political realities in Scotland. One of the principles of democratic government is that adjustments have to be made, whether politicians like it or not, in response to major shifts in public opinion. The future of the United Kingdom may now depend on Parliament's readiness to act on that principle.

## THE UN LOOKS AGAIN AT THE MIDDLE EAST

In recent years debates on the Middle East in the United Nations Security Council have been of three different types. There have been those held at moments of acute international tension, when war was either raging or about to break out. There have been those held as a kind of safety-valve for outraged feelings, in the immediate aftermath of a particular, violent incident or series of incidents: these have usually ended with a more or less ritual resolution condemning Israel, which either has or has not been vetoed as "unbalanced" by the United States according to circumstances. And there have been those held in cold blood, that is fixed and prepared in advance, usually at the request of one or more Arab states as an attempt to unfreeze a stalemate, or at least to give an illusion of progress towards a solution of the conflict. These too have usually been purely platonic in their results.

It is to this third type that the debate opening today belongs. Agreement to hold it was reached on November 30 in order to make it politically possible for the Syrian regime to tolerate for another six months the physical symbol of stalemate on the Golan Heights—the presence of the UN observer force on a ceasefire line behind which twenty-one Israeli settlements have been established since 1967 on

internationally-recognized Syrian territory.

To that problem the holding of a Security Council debate is not a very encouraging solution. Most of the world would have preferred either a new effort to reach a global solution of the conflict at the Geneva Conference (that is, by direct negotiations between the parties involved) or, failing that, the opening of indirect negotiations for an interim agreement between Israel and Syria on the lines of the one reached last September between Israel and Egypt.

But to the Syrian leaders—awkwardly poised between their uncomfortable awareness of the reality of the leadership of radical pan-Arabism—these courses seemed too risky and insufficiently attractive. From an interim agreement they had been warned to expect only "cosmetic" changes in the ceasefire line, and anyway they had virtually closed this avenue against themselves by the abuse heaped on Egypt for taking it. But by embarking on direct negotiations for a full peace settlement they would have exposed themselves to the wrath of their rivals and followers as betrayers of the Palestinian cause.

To avoid this they insisted

instead on propelling the PLO on to yet another international stage—the Security Council—and it is the prospect of PLO participation which lends a greater interest to this full-dress debate on the Middle East than to its predecessors. The danger is that with Israel boycotting the debate, it will become simply an exercise in propaganda, with a crushing United States veto. That will almost certainly be the result if the Syrians insist on tampering with the existing text of Resolution 242. But Dr Kissinger has hinted that it need not be the result if instead a constructive "augmentation" of Resolution 242 is proposed, recognizing that the Palestinians have legitimate interests as a people and not merely as a collection of refugees. The United States recognized this after all as long ago as May 1973, in the Nixon-Brezhnev communiqué. There is now a growing recognition of it in Israel itself, even if the majority view still resolutely rejects the PLO as an interlocutor. A Security Council resolution on the point should make it easier for PLO to accept the agreed framework for negotiations, and could therefore be a small but important step towards the mutual recognition of Palestinians and Israelis which must pave the way for a full solution.

## David Wood

## Recall of the Stormont Convention

It needs no special powers of divination to predict with certainty that Mr. Merlyn Rees, the Secretary of State for Northern Ireland, will announce in the Commons today at the opening of the debate on the report of the Stormont Convention. Once again, in the effort to escape from the dead end of direct rule, the Government must fill the political vacuum in the province. Mr. Rees must say that within a day or two he will be asking Sir Robert Lowry, the chairman, to reconvene early next month the 78 members of the Convention while he still has the power under the Northern Ireland Act of July 1974, and in his new remit the minister must state where the Convention report is required to meet the Government's requirements for an early return to a measure of self-government at Stormont.

That is not quite the only course now left open. After the dissolution of the Convention, the Secretary of State could also hold another referendum in Northern Ireland. The Government seems to have finally decided against that, partly because it is almost impossible to frame a simple question, partly because it would inevitably lead to party political campaigns emphasising disagreement rather than common interest, partly because there may be no telling what the outcome would be, and partly because Northern Ireland has already been two or three years without finding peace or stability. The argument is conclusive for using the Convention as a pathfinder towards a new constitutional settlement so long as it has any statutory

life left in it. It is not only that the Convention, as the only remaining form of Stormont, alone fills the political vacuum within the province, and that if it disappears something not unlike it would have to be created to bring the rival politicians round a table. It is also that the members of the Convention, having been democratically elected, necessarily take on the democratic role of representing the people of Northern Ireland who have been accustomed for more than half a century.

But there is more to it even than that. Though the Convention report is in some fundamental respects to be an Ulster Unionist document, it did mark out some areas of agreement, and the Government today will not feel obliged to reject it outright. A consensus that could lead to a new Stormont did begin to appear. That was one of the reasons for the Government's reaction to the Convention and the House of Commons are given an opportunity to change their own approach, or at least to change the emphasis they have placed in the past six or seven years on some conditions for an acceptable settlement. It is reasonably clear, for example, that the Government, like some Ulster politicians, is now ready to suppress, or drop, the demand for the formalization of the so-called "Irish dimension", if only on the argument that it will evolve rather than be a forced growth should it ever become a practicable political end.

Nevertheless, the Convention report at bottom cannot be acceptable to the Government, and Mr. Rees will have to say so in the Commons. For it is sometimes explicit and sometimes implicit in the document that the Ulster Unionist majority has laid a claim to a Constitution amounting to Dominion status, akin to that originally granted to Rhodesia, with limits set to the ability of the Westminster Government to alter Northern Ireland's institutions and with powers devolved over commerce and manpower that go far beyond anything proposed in the devolution White Paper for Scotland and Wales. Our changing democracy, Mr. Rees, will some democratic reason, does the Convention report

make any significant concession to "power sharing" with the minority parties which has been one of the prime political and constitutional ends at Westminster. The Ulster Unionist majority went no further than to propose what looks like a complicated committee system within the new Stormont as a means of involving minority parties, and nothing in recent Ulster experience suggests that, without a profound change of hearts and minds, it would ever be workable.

I doubt whether Mr. Rees and the Government are now precisely dedicated to the form of power sharing prescribed by Mr. Heath and Mr. Whitelaw. The Ulster Unionist majority went no further than to propose what looks like a complicated committee system within the new Stormont as a means of involving minority parties, and nothing in recent Ulster experience suggests that, without a profound change of hearts and minds, it would ever be workable.

Yet in other important respects there is no unbridgeable gulf between Westminster and the Ulster parties as a whole. For obvious reasons it is the aim of Westminster, as it was the agreed aim of the Convention, that a Government and Parliament should be recreated at Stormont, that the British forces should be reduced to garrison level as the RUC occupies the front line to maintain law and order, and that the new Stormont should have devolved to it powers to legislate for, and administer, more matters than are now being offered, later in the week, to Scotland.

Those areas of agreement will be defined today in the House by Mr. Rees, and at the least they mark out common ground on which, with time running out, and with political pressure increasing both for pulling out the troops and for a stronger military response to sectarian brawling, the Convention can make one last effort at constitution-making.

## Pressures on the social services

From the General Secretary of the British Association of Social Workers

Sir, In your excellent leader "Social Services Take a Knock" (December 30) I was surprised by your comment that local authorities have fewer statutory obligations in the social services field than in education.

The extent of a local authority's statutory obligations in social services is not always fully appreciated. They include a duty to provide residential accommodation for those in need of care and attention, the mentally disordered, the handicapped and the homeless; to keep a register and to promote the interests of those who are chronically sick, disabled or mentally disordered; to provide home help and in other ways to promote the welfare of the elderly and to care for other categories of need; to make available advice, guidance and assistance so as to diminish the need for children to be in care or brought before a juvenile court; to investigate complaints about children who may require care or control; to care for children whose parents are not able to do so or who are committed to care by a court; and to supervise children subject to a court order in order that they have been placed privately with foster parents or who have been placed for adoption. Within each of these broad categories there is a multiplicity of duties and responsibilities which the local authority is obliged to carry out.

Regrettably, no authority is able to meet its minimal statutory obligations at the present time, let alone find trimmings and fringe extras which can be cut or restricted. For example, in Birmingham one fifth of the children in care (700 out of 3,000) are not even allocated to a social worker, and of the 3,800 mentally ill or handicapped persons living in the community who are subject to social services department, only 1,300 are receiving any service.

A further factor, which you do not mention in your leader, is the increasing demands being made for social services. A 25 per cent rise in referrals to departments in 1975 is common experience in the county of Hereford and Worcester a 30 per cent increase over nine months has been recorded. When people are tending to live longer and to be kept alive and in the community despite severe handicaps, resources must be found to care for the elderly, the handicapped and for vulnerable children. The ad hoc way in which many of the cuts are being made can only lead to those who are the most vulnerable being hit hardest. Surely this is not what the public really wants.

Despite the growth of the social services, the funding of the sector, less if it does not take account of the base line and of increasing demand, the social services are in a state of crisis. 1976 can only see a further rapid increase in those who need services—unemployment, poverty, sickness and education, will all create problems with which the social services will be asked to help. A classic example is the effect of disconnection of fuel supplies, a result of increased costs and reduced income. It is estimated that twice as many households will have their fuel supplies disconnected this winter as last year, with severe consequences resulting for many old people and children. Requests for help to social services departments will be increasing. As a society we profess to care, but care costs, and at a time of recession we must be prepared to make the necessary sacrifice in making the social services a priority.

Yours sincerely,  
CHRIS ANDREWS, General Secretary,  
British Association of Social Workers,  
16 Kent Street,  
Birmingham.

## Independence of the BBC

From Mr. G. E. H. Mansell

Sir, There is one point of historical detail in David Leigh's very fair and perceptive article about the BBC-Portuguese Service (January 9), over which I may have misled your reporter and which it is important to correct. It concerns the postponement of the broadcast in the BBC Russian Service of the original Russian version of the "Only One Year" play, a letter to a friend that was later published in the *Atlantic Monthly*. It is not the case that the government used its statutory powers on this occasion and the BBC was not "instructed" to cancel the broadcast. The facts are that strong official representations were made to the BBC at Prime Ministerial level on the ground that the broadcast might prejudice the outcome of important negotiations in which the then Foreign Secretary, Mr. Carrington, was involved and which concerned the issue of war or peace in the Middle East. After much anxious thought the BBC came to the conclusion that on such a crucial issue it could not properly set itself up as the superior judge of what constitutes the national interest. Accordingly it made it known to the air that it had decided to postpone the broadcast so that the Foreign Secretary's efforts in Moscow to bring about an improvement in the international situation should not be prejudiced.

The broadcast took place two days later. A postponement of a day or two was all that was agreed or asked for. It did not involve news, only material of relatively timeless significance. The final decision was the BBC's. The reasons for the postponement were clearly explained on the air in subsequent programmes, which also included reflection of British press comment on the incident, highlighting the BBC's independence. Yours faithfully,  
G. E. H. MANSELL,  
Managing Director, External Broadcasting,  
British Broadcasting Corporation,  
Bush House,  
Aldwych, WC2,  
January 9.

## LETTERS TO THE EDITOR

### Learning from mistakes in Ulster

From Sir Patrick Macrory

Sir, Unlike Professor Bernard Crick (January 9), I wholeheartedly share your view (leader, January 7) that the decision of the Heath Administration to abolish Stormont was a mistake. And I am sorry that the professor should help to perpetuate the exaggerated stories of the illiberal and repressive nature of the Stormont régime ("if only the Unionists had used their power more wisely and equitably, but they didn't").

About my myth in whose propagation the majority of the British media joined with enthusiasm from 1968 onwards. It is not supported by Lord Cameron's report on the 1969 disturbances. It is not supported by the conclusion of Professor Richard Ashworth, an American, and presumably impartial, that over many years one third of the Roman Catholics in Northern Ireland had been steadily voting Unionist. And in so far as it contains a kernel of substance, how far was this due to the persistent refusal of the minority party (the Nationalists, they were then called) to cooperate in the running of the state of which they were citizens? For example, in discouraging Roman Catholics from filling the one third of places in the Royal Ulster Constabulary which were reserved for them from the outset.

About five years ago, Sir, you summed up the Stormont record over 50 years as that of an administration which had shown itself "reasonably humane, reasonably

efficient". Not a very damning verdict in these imperfect times. When I quoted it in Washington in 1972 at the Congressional Inquiry into the Ulster troubles, I got the good humoured reply from the chair that no one had ever said anything so good about Congress.

Equally mistaken was the decision of the British Government to compel the Chichester-Clark government to disband the B Special Constabulary. Not long before there had been published an admirable *History of the IRA*, by the Southern Irish writer, Tim Pat Coogan. Describing the formation of the B Specials in the early 1920s, Mr. Coogan commented that the B's at once became, and remained, the rock upon which the IRA must always shatter in the North. In no long time Mr. Wilson and Mr. Callaghan procured the removal of the rock. Needless to add, the disbandment of the B's, the abolition of Stormont, and now the ending of Stormont, have been very reasonably claimed by the IRA as triumphs for the policy of violence and have been so seen by the citizens of Ulster.

We cannot turn the clock back, but we can learn from past mistakes. No one doubts that both the Wilson and the Heath administrations meant well. The road to the hell of Ulster is paved with their good intentions. Yours faithfully,  
PATRICK MACRORY,  
Aberdene,  
Walton-on-the-Hill,  
Tadworth, Surrey.

### Foreign Office and exports

From Mr. Michael D. Steff

Sir, I was delighted that Lord Pritchard has drawn attention to the work of the Diplomatic Service in furthering this country's exports.

As a member of the European Trade Committee of the British Overseas Trade Board and as Chairman of the British Overseas Trade Group for Israel, I also have first-hand experience of the efficiency of the commercial staff in our embassies abroad. Many major export orders would not have come to this country had it not been for the foresight and dynamic approach of our diplomats abroad.

The knowledge which overseas commercial staff have of local conditions, both in the public and in the private sectors, is of great help to visiting businessmen. This experience also applies in my company in the development of export of St. Michael goods.

Our embassies need encouragement, not brick-bats! Yours faithfully,  
MICHAEL D. STEFF,  
Chairman and Joint Managing Director, Marks and Spencer Limited,  
Michael House,  
100, Queen's Way,  
January 8.

### Civil Service

From Sir Bernard Burrows

Sir, A comparatively simple way to reduce the amount spent on Civil Service and Diplomatic Service pensions would be to increase the age of retirement from 60 to 65. The 60-year age limit was fixed many years ago when the expectation of death was much nearer 60 than it is now. Many other countries have an age limit of 65 for government service, some even 70. Why should coal miners be thought to be fit to work until they are 65 and Cabinet Ministers to any age while civil

servants are pensioned off at 60? To lessen the impact on promotion and recruitment the change could be introduced gradually, say over 5 years. Annual increments could be scaled down in proportion to the increased length of service. There would have to be greater possibilities for earlier retirement, with reduced pension, either at the wish of the individual civil servant, or subject to safeguards and approval at the decision of the Department. We all know some bureaucrats who are too old at 50. There are many others whose retirement at 60 is a loss to the public service as well as an unnecessary burden on the Exchequer.

I am, Sir, your obedient servant,  
BERNARD BURROWS,  
Steeple Farm,  
Petersfield,  
Hampshire.

From Mr. Max Davies

Sir, It seems proper to ask, in view of recent public discussion of the allegedly privileged position of civil servants, whether those directly responsible for the "clerical error" in the 1973 immigration figures have been disciplined in any way.

The point is not raised in a spirit of vindictiveness but as a means of encouraging a more responsible attitude of those in authority with proper seriousness, and that our interests will be guarded with greater care in the future.

It will be recalled that in two cases in private industry during the last few years, where comparable errors (or worse) led to huge losses respectively in foreign exchange transactions and cocoa futures, the public was informed what action had been taken in respect of the individuals responsible for the error. Yours truly,  
MAX DAVIES,  
The Old Crown,  
Long Crendon,  
Aylesbury, Buckinghamshire.

### London art market

From Mr. Denis Mahon

Sir, May a collector intervene in the current controversy regarding the recently imposed buyer's premium of 10 per cent at art auctions and its potential consequences?

On analysis the letter from the Chairman of Christie's (January 9) gives the impression of trying to have the cake and eat it. One had supposed that the reason for their taking such a course was to increase an undoubted edge which the London art market had hitherto possessed by thus adding to the purchase price was not been doing so well. But now we are assured that they are achieving wonders, quite exclusive of this impost.

A similar impression that the best of both worlds is being secured seems to emerge if one examines the nature of the so-called buyer's premium. On the one hand there is a 10 per cent increase in the price of the knock-down purchase price. But, on the other hand, the seller derives no financial benefit whatever from this surcharge, which could accordingly be argued to rate as a commission to the auctioneer for the buyer for some service or other. But my attention has been drawn to the fact that any such interpretation has been contradicted by the Vice-Chairman of the Treasury, Mr. Stansfeld (Hansard, December 16, written answers, col. 561): "Auctioneers normally charge a commission to the seller, but some auctioneers also add a percentage to the hammer price, calling it a 'buyer's premium' and treating it as part of the consideration for the goods rather than for the supply of the auctioneer's services. Where then does the seller stand in this imbroglio? Might he not turn out to have some claim to a substantial part of the surcharge?"

In parenthesis, at a time when the value of money is falling in so spectacular a manner, the fact should never be overlooked that comparative statistics expressed in pounds sterling can be misleading. Yours faithfully,  
DENIS MAHON,  
33 Cadogan Square, SW1.

From Mrs. Geraldine Norman

Sir, I cannot see why Mr. Floyd (January 9) should find it so surprising that I was able to discuss with Christie's press officer in October the fact that other international centres were placing good sales away from London last autumn. I am, after all, capable of reading a forthcoming sales notice. That I should repeat the discussion to early December and mention that Sotheby's and Christie's autumn turnover figures might give me an opportunity to report on this

shift in the international balance. I consider even less surprising. Having visited King Street and Bond Street week by week throughout the autumn I was fully aware that the standard of London sales had been the lowest I personally could remember.

Imagine, thus, my surprise on December 22 when I handed a press release by Christie's showing a sharp increase in United Kingdom turnover. Naturally, I probed. Well, you can measure turnover gross, ie, the aggregate hammer value of all items consigned for sale, or you can measure it net, by deducting the total value of all unsold lots. Christie's were working on net figures and the disastrous level of unsold lots in the autumn of 1974 (32 per cent) made this year's net figure look better than the previous one. I thus reported the fall in gross value of goods offered for sale in King Street while at the same time noting the company's distinguished overall increase in business.

Was this "misleading" or "inaccurate" as Mr. Floyd claims? There are lies, damn lies and statistics. He has chosen to quote a different set of them, thus painting a different picture. It helps if you add in auctioneers' commissions which were operating as De La Rue Coe last year; it also helps if you add two major house sales into the London total. If the public are to appreciate the true picture turnover should be reported both gross and net and their attention should be called to all special factors.

Yours faithfully,  
GERALDINE NORMAN, Sale Room Correspondent,  
The Times,  
New Printing House Square, WCL.

### Industrial design

From Sir Ove Arup

Sir, When Mr. Victor Ross (January 8) says is perfectly true, and his typical salesman's conceit is entirely justified, so long as the only aim is, as at present, to make a profit for the manufacturer. And that is exactly what I think must be changed. This complete subservience to profitability defined in a narrow monetary sense, which governs all our activities, must somehow be restricted if we are to survive.

How to achieve this is the difficult problem facing us. To impose restrictions by a dictatorship is undesirable and probably impossible. To bring them about by voluntary agreement is desirable and also seemingly impossible; so it would be better to work on the second impossibility. Yours faithfully,  
SIR OVE ARUP,  
6 Fitzroy Park,  
Higgleton, NG.

## Noise of Concorde: the critics

From Mr. Nigel Stowell

Sir, The unpleasant spectacle of a former Tory minister (Lord Boyd-Carpenter) and a present Labour Minister (Gerald Kaufman) attacking a public-spirited private citizen (the Rt. Rev. Hugh Montefiore) because of his opposition to Concorde reminds us how often politicians seem to conform to their stereotypes.

Lord Boyd-Carpenter, as befits a Tory mandarin, implies that it is somehow wrong to criticise the decisions of the governing class. He also manages to be insulting in a peculiarly Tory way by advising the bishop to stick to visiting and praying in "humble homes". Incidentally, he cites the skill of the aviation industry: surely it is not very skilful to waste millions of pounds of taxpayers' money on an aircraft which no airline wants to buy?

Gerald Kaufman, on the other hand, coldly confirms what many liberal-minded socialists have long suspected—that the present Government is not interested in the opinions of mere people. "I paid no attention to what he said," sneered Mr. Kaufman, describing the bishop's evidence as "emotional". Did he pay no attention because Hugh Montefiore has no effective power-base from which to threaten the Government? Or was it because he, like most of the Cabinet, is scared stiff of Mr. Wedgwood Benn, in whose constituency Concorde is being built?

The Concorde saga illustrates an old maxim—"The trouble with common sense is that it is not common enough"—but perhaps the best comment is contained in a poem by the American economist Kenneth Boulding: "It's nice to be the drafter of a well-constructed plan, For spending lots of money for the betterment of Man. But Audits are a threat, for it is neither games nor fun To look at plans of yesterday and say: 'What have we done?'". Yours sincerely,  
NIGEL STEWELL,  
243 King's Road, SW3,  
January 10.

### Soviet exit visas

From Mr. James Riordan

Sir, It is interesting to read that the dissident physicist Andrei Sakharov was refused an exit visa (to collect his Nobel Prize) because of his knowledge of State and military secrets. One wonders whether this applies to all people seeking an exit visa.

This morning my wife (who is Soviet) received a heart-rending letter from her mother in Bashkiria informing us that yet again her request to spend a month with her daughter in England has been refused. No reason is given. Since she is an old-age pensioner and a widow, has been applying for such a visa without success for the past five years, has never worked in nuclear physics and wishes merely to see her daughter and grand-children here for a month, what reason can there be?

That part of the Final Act of the Helsinki Agreements dealing with human contacts clearly states that all the participating nations "consider the development of contacts to be an important element in the strengthening of friendly relations and trust among peoples"; it goes on to talk of encouraging freer movement between states. Surely, trust can be built only on actions, not words? Yours, etc.,  
JAMES RIORDAN,  
15 Bankfield Drive,  
Shipley, W. Yorks.  
January 5.

### Franglais

From Mr. I. G. Radcliffe

Sir, Mr. Bernard Levin, even if he has no garden, will agree that rose bushes sometimes have to be sprayed. I am sure that most of the Frenchmen I have seen in France have seen in his article of January 7, will remain unconvinced that their government's move in defence of the French language was anything other than an eminently rational one.

There may be some who believe that French has been enriched by "franglais" (there are even some people left here who believe that our theatre has been enriched as a result of the abolition of stage censorship!), but I imagine that any Frenchman with the slightest respect for his language will feel that it can happily deny itself enrichment of this kind.

Would there be much concern were felt for the English language which is suffering blight of an even uglier nature. Yours faithfully,  
I. G. RADCLIFFE,  
33 The Ridgeway,  
River,  
Dover, Kent.  
January 8.

From Professor Norman Davis

Sir, Mr. Davies's Paris outfitter (January 7) who "recently" called his ties "tres snob—presque cad" runs the risk of appearing a bit vieux chapeau. I first heard that phrase from the late Professor J. R. R. Tolkien, on April 14, 1953. He applied it to a new briefcase, which he described also as "vraiment businessman". But of course he did not imply that he had invented the terms, and no doubt many of your readers will know of earlier uses. Yours faithfully,  
NORMAN DAVIS,  
Merton College,  
Oxford,  
January 8.

From Mr. N. C. Slaughter

Sir, How about this obscure bit of Franglais? (From *Petit Larousse*, 1975 edition): "BULL-FINCH nm (mot angl.) Obstacle de steeple-chase constitué par un talus de terre surmonté d'une haie. Yours faithfully,  
N. C. SLAUGHTER,  
2 The Nurseries,  
Falmouth,  
Cornwall,  
January 7.













ACCOUNT DAYS: Dealings Begin, Today. Dealings End, Jan 23. \$ Contango Day, Jan 25. Settlement Day, Feb 3

(Current market price multiplied by the number of shares in issue for the stock quoted)

Chairman  
Chairman  
problem

Dangers in  
Contact  
Inner code



Boat builders  
looking  
to overseas  
markets, page 19

# THE TIMES

## BUSINESS NEWS

Which way  
forward  
for the CBI?  
page 18

### Chairmen of Citibank and Chase Manhattan refute 'problem' list implications

on Frank Vogl  
Washington, Jan 11  
First National City Bank and Chase Manhattan, the two largest banks in New York, have been placed on a special list of problem banks by the Comptroller of the Currency, a Washington Post reported last night.

Nevertheless, Mr. Walter Wriston, the chairman of Citibank, said that the condition of the banks was "excellent". Mr. David Rockefeller, chairman of Chase Manhattan, said that the banks were "in very strong shape".

The banks have been placed on this list as a result of large losses which they have had in the past year. There is no indication that either bank has acute difficulties and the Comptroller's office is expected to report on the banks' prospects after a further review.

Mr. Wriston said that the banks' earnings were "excellent" and that the outlook for the future was "fair".

Because these two banks are the largest in the country, their inclusion on the list has caused concern in the financial community. A more serious situation for both would have been encountered if New York City had gone bankrupt.

Citibank and the Chase Manhattan are respectively the second and third largest banks in the world (the Bank of America is the biggest), and between them, they have total assets of more than \$100,000 million (\$50,000 million).

The problems of the banks are not serious, however, Treasury officials emphasized today. However, there is a deep uneasiness in financial markets because of the year on the special list, especially as the news of the listings has broken here in a way that has led to a true proportion of the situation.

Today the Washington Post, in a headline right across the top of its front page, followed a long story and front-page photographs of the chairmen of the two banks.

The newspaper did not give prominence to the fact that the banks are usually about 200 miles on this list and that it is just a precautionary step which in no way indicates that the banks are in danger of insolvency.

The Comptroller has refused to confirm the listing of the banks, but sources said the newspaper was seriously accurate in this regard.

Chase Manhattan had to take losses in the first nine months of last year of more than \$200 million primarily because of a sharp drop in the real estate sector. It may soon face further heavy losses for the final quarter of last year.

At the same time it managed to improve profits for the first three quarters of 1975 by about 15 per cent over the comparable 1974 period, and Mr. Rockefeller told the Washington Post that this profit performance was "excellent".

Mr. Wriston said that the bank's earnings were "excellent" and that the outlook for the future was "fair".

The main complaint by the Comptroller appears to be that the banks' capital have not been sufficient. This is refuted by Mr. Wriston who said that the bank had managed to increase its capital by more than \$500 million in the last year.

There is evidence to suggest that the report which led the Comptroller to place Citibank on the problem list was written before this \$500 million increase.

Reports on both banks appear to have been finalized by the inspectors at the Office of the Comptroller of the Currency, when the outlook for both was much worse than today, primarily because of fears that the economy would not start recovering from recession and the possibility that New York City would go bankrupt.

The Washington Post reported that the main operating departments within Chase Manhattan were in "poor" condition, with operating losses, with operating conditions termed as "horrendous".

Communications within Chase Manhattan, the main operating departments within Chase Manhattan were in "poor" condition, with operating losses, with operating conditions termed as "horrendous".

involved in the management of the bank, but sources said the newspaper was seriously accurate in this regard.

Mr. Rockefeller told the newspaper that he denied this, saying: "I am very deeply involved in the day-to-day management of the bank."

The report on Citibank found the management good, but showed concern about the bank's capital adequacy, and maintained that too many of its loans were concentrated in too small a group of countries and industries. Mr. Wriston refused such suggestions.

Doddy's report in the Washington Post, however, indicated that the bank's losses in the past year were "excellent" and that the outlook for the future was "fair".

Many, not just the Chase and Citibank, have encountered heavy losses on loans to real estate, investment trusts, and have heavy loan exposure to other special sectors, including oil, airlines, developing foreign countries, and to oil tankers. It is known that these are all sectors about which the Comptroller is worried.

While officials at the Comptroller's office and the Federal Reserve Board are starting to make the banks become more conservative in their lending policies, they deny that any of the big New York banks today faced problems that could endanger solvency.

The Fed, however, has been aware for some time of these problems and has, as a result, taken a much more restrictive attitude toward permitting them to embark on expansion plans. Recently the Fed denied an application by Citibank to acquire some small regional financing companies.

A study has just been completed by the Fed of the total holdings of New York City notes and bonds and the obligations of New York State held by banks.

This shows a much higher total of bank holdings than had earlier been thought to be the case, with total volume of state and city holdings being \$6.43 billion, up from \$4.25 billion in 1974.

### Mr Healey hits out at Third World 'blackmail'

From Our US Economics Correspondent  
Washington, Jan 11  
Mr Healey, Britain's Chancellor of the Exchequer, accused the developing countries of "blackmail" at the International Monetary Fund's ministerial meeting in Jamaica at the weekend.

Mr Healey's comment was in reference to the continued demands by the developing countries for greater direct access free of tough conditions to the resources of the IMF.

The conference finally agreed on a temporary 45 per cent increase in credit lines, far higher than the developed countries originally were willing to grant.

Some European officials believed that this new agreement, specifically aimed at helping those developing countries with balance of payments problems, would be taken advantage of by the developing countries, particularly by the West German Finance Minister who had been particularly blunt about Britain's recent IMF borrowing, informed sources said.

Healey is quoted as saying that the only reason West Germany did not oppose Britain's borrowing \$1.7 billion (about £550 million) from the IMF last year was that the IMF facility was the only one that the money was not forthcoming from the IMF to the United Kingdom would demand it from her EEC partners.

### Ministers set June deadline for NEDDY reports on key industries

By Malcolm Brown  
Industrial and union leaders will be told on Wednesday that the Government wants firm proposals by June for action to improve the main sectors of manufacturing industry.

This is the date set by Mr Healey, the Chancellor, and Mr Varley, Secretary of State for Industry, for the first batch of "action reports" on 30 selected industrial sectors to be ready.

Mr Healey and Mr Varley will tell the National Economic Development Council on Wednesday that they want the 30 profiles of these leading industries which have been circulated to industrial and union members of the council to be worked out by the relevant economic development committees into proposals for action. Where appropriate, committees should also set up tripartite groups to deal with the task.

The industries selected for priority examination cover a wide spectrum, and should lay to rest any notion that the Government's so-called new approach to an industrial strategy is simply a "picking the winners" exercise.

Indeed, the list of chosen industries is so comprehensive that the Government may be accused of abdicating any responsibility for helping to choose where the greatest effort should be concentrated in favour of a philosophy that every industry save the most

### Biscuit makers spur switch to metrication

By Patricia Tisdall  
Biscuit manufacturers are expected to become the second leading packaged food group to make the changeover to metric sizes.

According to United Biscuits, the largest producer in the country, metric packs will start reaching the shops during the next three months. This is almost two years ahead of the deadline for completion set by the Department of Prices and Consumer Protection.

For in addition to changing to metric weights, which is a voluntary decision, biscuit producers will also like to see specified quantities applied to wine and spirits sold in both bottles and glasses. Their arguments are that manufacturers have been adjusting the volume of contents to hide price increases.

At present biscuits may be prepacked in any quantity in either imperial or metric units of measurement. As manufacturers have been making marginal reductions in pack sizes to keep to a selling price, there is now no recognizable pattern of size on the market.

The quantities permitted by the legislation are 100 grams (3.5 oz), 125g, 150g, 200g, 250g, 300g (10.1 oz) and subsequent multiples of 100g. Additionally, a 175g pack will be allowed until January 1, 1981.

The new pack sizes have been agreed after discussions with manufacturers and consumer organizations lasting at least three years. Coupling of the introduction of prescribed weights with metrication has considerable cost advantages for the manufacturers, which is one of the reasons why the process is likely to run ahead of schedule.

It also has advantages for the Government, which is embarrassed by the delay in bringing in metrication, and is particularly keen to see the changeover take place in an orderly fashion in the sensitive food area. Both Whitehall and consumer groups are worried about possible confusion over the price of products on sale together in both imperial and metric weights.

The first food product group to make the change to metric sizes was breakfast cereals, led by Kellogg's. Most breakfast cereals should be on sale in metric sizes by the middle of this year.

### Dangers in Inctad ner code

Peter Hill  
Shipowners of established nations may begin restoring their vessels under flags of developing nations in the next few years, as the impact of cargo reservation isolation by countries of the Third World is felt.

Such a movement towards "flags of convenience" registration would, however, be to the mutual advantage of the shipowner and the flag government as a result of the implementation of the code of conduct for liner conferences by the United Nations Conference on Trade and Development.

But according to a study just published on shipping in the Third World, developing countries could experience serious difficulties as a result of wider cargo reservation schemes they are applying to national fleets.

Such policies, it suggested, would not only result in a reduction of free competition, but would often lead to a reduction in the frequency of services.

The report stated that this would produce over-topping which in turn would reduce the efficiency of vessel utilization (result in increased shipping costs).

The study in the Third World, P. Drury (Shipping Consultants) £70 or \$160 for overseas subscribers.

### New scheme to unite engineering bodies

By Derek Harris  
A plan for reorganizing the engineering profession emerged last night from the Institution of Mechanical Engineers and the Institution of Electrical Engineers, two of the biggest organizations in the field.

It accepted by the other 13 members of the Council of Engineering Institutions—a major departure—it could confer direct voting powers on some organizations at present without royal charters who are not members of CEI.

Voting representatives from government departments like the Department of Industry and the Confederation of British Industry, and the TUC are also suggested.

New ways of making the professional body more effective in dealing with individual engineers' problems over pay and working conditions, including union membership, are also urged.

The plan is certainly to highlight the 16-month controversy in the profession over the future of the CEI, umbrella body for chartered organizations only, which is already facing with the possibility of a merger with the Institution of Engineers and the Institution of Mechanical Engineers.

As well as supporting the idea of a Royal Society of Engineers, the new plan calls

for a Corporation of Chartered Engineers to replace CEI with more narrowly defined powers. On the governing council, one vote for each qualifying institution is to be given, whether the institution is chartered or not, with an equal number of representatives, voted in freely by all chartered engineers.

This is radically different from the compromise proposals, and should raise fears among smaller chartered institutions of having their voice within the new body muffled.

On the plan's current criteria, some non-chartered bodies could gain voting power on the corporation's governing council. The Institution of Measurement and Control would almost certainly qualify. So might the Institution of Heating and Ventilating Engineers.

It would represent a significant step forward in opening the doors of the chartered club, although the present CEI compromise proposals would create a new category of affiliate members that could, if qualified, come from non-chartered bodies.

The new corporation is seen as needing to act for individuals in test cases such as where a chartered engineer is victimized for refusing industrial action because of his professional code of conduct.

But the need for a trade union—if necessary a new one—is emphasized for the professional engineer.

Chancellor home: The world's finance ministers have given Britain a good boost in the seal of approval and extended her credit by 45 per cent Mr Healey said at Heathrow airport, yesterday, on his return from Jamaica.

In effect the main achievements of the conference established an acceleration in recovery from the world recession, and this could mean more jobs sooner, he said.

Dowry wins \$4m award for Harrier equipment  
Contracts worth more than \$4m for equipment for the Hawker Siddeley Sea Harrier vertical take-off and landing strike aircraft recently ordered by the Royal Navy have been won by the Cheltenham-based Dowry Group. They cover landing gear, hydraulic and fuel flow proportioners for Dowry Rotol and fuel control systems made by Dowry for the Sea Harrier's Rolls-Royce Pegasus engine.

### Threat to car jobs as drivers' strike goes on

By R. W. Shakespeare  
Shop stewards representing more than 1,000 Coventry strikers are on strike seven days throughout the country will meet in Coventry today to discuss their next moves in a wages dispute which threatens seriously to disrupt production in some main car assembly plants.

Strikers who have already voted to continue their stoppage throughout this week. They are employed by Silcock and Colling, which operates one of the largest fleets of car transporters used to ferry completed cars from the assembly plants to dealers, and to the docks for export.

Since the strike began a week ago, the number of cars leaving the country has fallen by 50 per cent, notably Ford, with which Silcock and Colling have a long-term contract to transport cars to stockpile complete equipment.

Ford has said that from today it will have to reexamine its production schedules, especially at the big Meriden plant in Halewood, because it is running short of storage space. Curbbacks inevitably mean lay-off among assembly line workers.

The drivers are demanding payment in full of the maximum £56-week wage increase.

allowed under the Government's pay strategy. They say they want the "most" without strings, but the company maintains that the increase must be linked to improved productivity.

This, it says, could be achieved by stepping up the standard operating speed of the transporters from 22 to 25 mph.

Silcock and Colling handles about 80 per cent of Ford's delivery work and about a third of Leyland Cars output. It also has contracts with Chrysler and a number of overseas car manufacturers.

The company claims that the present operating arrangements have made it uncompetitive, and that it has lost contracts worth about 100,000 cars a year.

For their part, the drivers say that increasing operating speeds would amount to a cut in earnings, so this should not be linked to the £56-week increase.

Hopes of a settlement now appear to rest on possible intervention by the Advisory, Conciliation and Arbitration Service, whose officials have indicated that they would be prepared to meet representatives of the company and the Transport and General Workers' Union this week.

### City workers share burden of recession

By Business News Staff  
Further sharp declines in the standard of living enjoyed by the City's employees this year is forecast by the latest survey New Earnings in the City published by the Incomes Research Unit of personnel consultants, Lord Executive.

The survey, which is based upon detailed information supplied by 171 companies—62 banks, 37 insurance institutions, 15 accountancy firms, 23 firms of solicitors and 34 industrial/commercial groups—shows that during 1975 the number involved in staff cutbacks were much greater than in expansion programmes.

This applied particularly to the banking, insurance, and legal professions, but in accountancy there was much better news, where only one of the firms surveyed was forced to reduce staff, while eight others increased their labour force.

Across the board salary increases last year were just over 18 per cent, compared with 22 per cent settlement in the clearing banks to a 14.6 per cent improvement in the legal profession.

But real incomes of City professionals are declining more rapidly over the period than most others. Staff reductions have made it more difficult for inexperienced school or university leavers to enter the City, only 15 per cent of current vacancies being available for these candidates.

In examining professional salary levels the survey finds that the highest-paid is the financial director, where the average is £12,500 per annum.

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Sporting goods, packaging, pyrotechnics

The A.G.M. was held on 30th December 1975.

Extracts from the 1974/75 Report and Accounts and Statement of the Chairman, Mr. Sidney Marks, OBE:

- \* Turnover increased from £5,146,000 to £7,083,000.
- \* Exports of sporting goods up by approximately 21% to £2.6 million.
- \* Record pre-tax profits of £1,220,000.
- \* Gross dividends total 6.1% (1974-1975) 6.3%.
- \* Earnings per share rose by 25% to 6.3p.

The last year was the ninth successive year of growth and the Chairman is hopeful of being able to report further progress when the experiences of the current year are reviewed.

Copies of the Illustrated 1974/75 Report and Accounts are available from the Secretary, M.Y. Dart Limited, Manor Street, Barnack, NN5 5TE.

### More optimism on UK recovery

By Mervyn Westlake  
Unless there are fresh inflationary measures to stimulate the world's major economies fairly soon, there is a real danger that the expected recovery in international trade during 1976 will be very weak.

Economic forecasts for Britain, the United States and West Germany published today by Forex Research, a private forecasting unit, suggest that although the recovery in America appears firmly based, its actual intensity may be somewhat less than envisaged.

At the same time, the revival in the Japanese economy is likely to be only gradual, while most EEC economies are lagging. The Forex forecasts are based on similar techniques to those employed by the Organization for Economic Cooperation and Development, with an emphasis on predicting exchange rate movements.

For Britain, the report says, there are reasons for slightly greater optimism than in the closing months of last year. This is partly because of the continuing success of the £6 pay policy, and partly because of the favourable impact the forth-

coming public expenditure cuts are likely to have on medium-term exchange rate expectations.

Sterling is still expected to fall below \$2 on the foreign exchanges very soon. But the pound is now predicted to depreciate by only about 5 per cent this year overall against the world's major currencies (on the official trade-weighted index). The likely depreciation had earlier been put at 6 to 7 per cent.

The main stimulus for what is seen to be a very modest recovery in Britain this year will come from stockbuilding and a continuing, though modest, rise in public sector current expenditure. The impact of the latter will tend to decline progressively throughout the period, the Forex report says.

But a revival in consumer spending and a decline in the historically high level of savings are expected to help sustain domestic demand in the latter half of the year.

However, the level of real output in 1976 overall is unlikely to exceed that of 1975 by more than 11 per cent, a rate of growth still below the underlying growth trend in productive potential.

West Germany's economy is expected to grow by about 3 per cent, a broadly similar projection to that of the OECD, but below the 4 to 5 per cent predicted officially in Bonn.

The reason for the difference is that Forex Research economists expect a much less buoyant picture for world trade and a slower rate of inventory accumulation than the official forecasts.

External demand for Germany's exports in the main industrial countries, as measured by the Forex index of export-weighted industrial production, declined by nearly 1 per cent in the third quarter of last year to a level 11 per cent below that of the first half of 1974.

Overall external demand will rise less than German home demand, the report says. The country's trade surplus is expected to remain fairly level throughout 1976, with a slight rise during the second half of the year.

A further decline in United States and British interest rates is forecast, but the fall is likely to come to an end early in the year, given the Federal Reserve Board's money supply targets and the assumptions about inflation, the report says.

### Housebuilders warn Mr Wilson of land shortage

The Housebuilders Federation has written to the Prime Minister warning him of a potential "disastrous shortage" of land which could virtually halt the private housebuilding programme before the end of the decade.

Mr Charles Mitchell, the federation's president, says in his letter to Mr Wilson: "The causes of the situation giving rise to this danger are complex, but they are based essentially on three factors: the sharp drop in the price of land, the price of development land, the substantial increase in taxes payable on development gains obtained by vendors because of the existing development gains tax and the proposed development land tax and the uncertainties created by the Community Land Act."

Mr Mitchell offers to meet the Prime Minister and talk about the need for more measures to stimulate housebuilding.

### Car imports take third of UK sales

Final registration figures published today by the Society of Motor Manufacturers and Traders revealed that one third of the 1,194,088 cars sold in Britain last year came from abroad.

Of the 395,000 of domestic models were 12.8 per cent below the 1974 level. Swedish imports were also 2.5 per cent down on the year.

Overall, sales were 5.9 per cent down compared with the previous year, but Eastern European manufacturers increased their sales by 42 per cent. Japanese imports were 27.5 per cent higher and EEC countries (excluding Britain) boosted sales by 6.3 per cent.

### Wilkinson Sword in Egypt factory deal

Calcutta, Jan 11.—Wilkinson Sword is to set up a razor blade plant with the Egyptian Government in Alexandria with a joint capital of £2,065,000 (about £2.5m), the Middle East news agency reported at the weekend. The plant is to be completed in two years, will have a capacity of two million blades annually.—Reuter.

### Rothmans king size dearer today

Carreras Rothmans, which has held prices below those of competing brands for about 12 months, announced price increases effective today. These will add an average of 1p to king size cigarettes and 1p to others.

### On other pages

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### Lending rate 11 pc

The Bank of England's minimum lending rate is being held at 11 per cent this week. The following are the results of Friday's Treasury Bill Tender:

Application	£10.7m	Accepted	£200m
Received	2,250	2,250	2,250
Allocated	2,250	2,250	2,250
Unallocated	2,250	2,250	2,250
Next bid	2,250	2,250	2,250

### There's one London bank that really understands Eastern Europe

The Moscow Narodny Bank has the experience, the knowledge and the connections that are essential for East-West trade to flourish.

Moscow Narodny has been an integral part of the City of London since 1919 and today enjoys very close relationships with Central and Commercial Banks in the USSR and other East European countries.

The bank's unrivalled experience in the finance of East-West trade makes it the ideal choice for any company or organisation entering this highly important area of world commerce.

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The bank for East-West trade  
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## LETTERS TO THE EDITOR

## Under-insurance: the test

From Mr S. R. Montlake  
Sir, I see that now another disaster has hit many of their policyholders, the insurance companies are once again trotting out the "small print" excuse of "under insurance."

Now I do not know if the matter has ever been legally tested in the courts but I would suggest that this clause is, if not against public policy, both morally and legally indefensible. If a policyholder has been properly paying his insurance based on an agreed sum with his insurance company, why should he not be insured to the limit of that sum in the event of a claim?

Obviously the policyholder takes the risk that his valuation might not equal the value of a total loss, but if he has paid a premium on a certain valuation, it is his responsibility to be insured and paid out for any loss up to the full sum of the valuation. Surely when an insurance company does its job it estimates its probable liabilities on its valuations, and its premium is based on these figures.

Might I suggest that in the event of the insurance companies using this excuse not to meet their liabilities, that a committee be formed to finance the setting of this unfair practice in the courts.

S. R. MONTLAKE,  
Tortoise Limited,  
33 High Street,  
Aston,  
London W3,  
January 7.

P.S. As a matter of interest, do insurance companies return the

## The professional engineer's declining status

From Mr A. A. Collier  
Sir, The agitation by insurance companies to secure increases in the fire cover on buildings raises a difficult problem in the case of older units where obsolescence is considerable. It is no answer to say that to replace an out-of-date century-old building with an identical brand new one would cost £x, when it is obvious that the useful life of the present one is almost at an end and demolition is probable in the near future.

We have the problem in reverse on motor car insurance, where the company ignores replacement costs and even will scale down a claim by contending that a tyre is purely wear and tear. Have we not, for insurance purposes, to consider how far a building is worn out, and to scale down replacement costs accordingly, so that if inflated building costs require increased cover, then increasing age or obsolescence requires diminution? Insurance is indemnity only and the market value imposes a ceiling on any claim.

The picture of the Victorian Hotel at Ilfracombe in your today's issue (January 6) drives this point home, for the value of the building and motor car is the same. But the value of this huge building can have no value at all. Indeed, the cleared site would have greater market value than the whole unit as it now stands.

Yours faithfully,  
A. A. COLLIER,  
Rawlence and Son,  
Pearl Assurance House,  
14 Katharine Street,  
Croydon, CR9 1LE,  
January 6.

## Whitehall caught in a logical vice

From Miss J. M. Pick  
Sir, Sir Antony Part of the Department of Industry (January 6) suggests that a knowledge of the economic and political realities, his civil servants to make commercial decisions.

Decisions on long-term investments depend on forecasts of future markets. Those forecasts use certain a fair element of rationality, to make the risk which the modest rate of return of current investment proposals. Forecasts made with a degree of certainty are a sign of the democratic ideal of freedom of choice, therefore civil servants who reach commercial decisions in an overtly political context are caught in a logical vice.

Government decisions affect a size and profitability of markets. The system becomes so inbred, it becomes so, and it becomes so, it is difficult for the Govern-

ment to make tough decisions, for politicians are acutely aware of the natural resistance to change displayed by the electorate. The result is an uncertainty, stagnating inertia.

Balance sheet knowledge is insufficient to cover the problems of managing physical resources. The problems may seem manageable if the businessman is on the spot, and if the problems are on a relatively small scale. But governments must take a broader view, taking all the country's physical and financial resources into account. If they concentrate on the finances, and on the politics of the finances, it is all too easy to forget that the resources of islands and globes are limited, in the physical sense.

Yours faithfully,  
JOAN M. PICK,  
23 Maybourn Grange,  
Turpin Lane,  
Croydon CR9 5NH,  
January 6.

## Scotland's yards wait patiently for the oil platform orders

Oil companies operating in the North Sea are suffering from what might be called project indigestion, according to the Oilfield Supplies Office, the Government agency operating from Glasgow which aims to win oil industry work for British firms.

This dyspeptic condition helped create a totally fallow year for new platform orders in 1975 confounding the Government's forecast of a boom. It seems clear that until even the largest of the major companies has developed the fields to which they are committed there is neither the skilled manpower nor the resources available to mount further major developments.

With the enormous cost inflation in the North Sea which strains the investment limits of the largest companies, the brake on growth has been firmly applied.

Even so the Government remains firmly optimistic because there is no sign that the oil companies are moving out of the North Sea or placing platform orders with foreign competitors.

The Government's central estimates for platforms remain unchanged even though at least one yard is empty and others are, in varying degrees, short of work. The Oilfield Supplies Office argue that because the capacity which Britain now has to make either steel or concrete structures should go to yards overseas.

One truth which experience has taught about the early days of Britain as an oil-producing nation is that those days were filled with wild, naive optimism.

Business appointments

## Williams &amp; Glyn key post

Mr E. J. Fowles has been appointed head of the investment division of Williams & Glyn Bank in succession to Mr J. R. Murray. Mr D. O. Horne has resigned from the board of the bank and Mr J. G. Beever has retired.

Mr Vincent has resigned from the board of Williams & Glyn Bank. Mr Lachlan MacDonald has been

## Industry in the Regions

Suppliers and customers were too careless in estimating the costs and the technical problems which exploiting oil from the North Sea would entail. They now do their arithmetic much more carefully.

With so many uncertainties directly affecting the market and the likely profits for the oil companies, it has not been an easy task to predict the demand for hardware in the North Sea.

Certainly OSO rejects the views of sceptics who believe that Britain now has an over-capacity for platform building and that this is proved by two new yards without orders and the remainder in varying degrees of eagerness or desperation to secure future work.

So far the British industrial score from the North Sea has been 40,000 jobs and more than 150,000 tons of work, much of it in Scotland. At present there are 10,000 jobs and more than 150,000 tons of work, much of it in Scotland.

All of them are concerned about the future and the Government is especially keen that an order is placed soon at Portavadie on Loch Fyne where more than £7m of public money has been spent preparing the site.

In the bleak waiting time during the next few months the oil companies will be keen to see the appeal for patience.

The oil companies, after all, are the customers and he who pays the piper, so to speak, calls the tune.

Ronald Faux

## Bishopsgate Property see one hopeful sign

Mr Henry Sparborg, chairman of Bishopsgate Property & General Investments, (which said no dividend last year after a relapse from pre-tax profit of £1.45m into a loss of £488,000) says in his report that prospects depend largely on how long it takes to bring new investments into income.

Property disposals have to some extent reduced borrowings. Meanwhile there are signs of an improvement in the group's balance sheet in which the group has a 44 per cent stake. Write-downs of land values at this company were mainly responsible for Bishopsgate's loss.

The other unquoted asset is a 50 per cent holding in B & C Europe, where construction of one development in Germany has yet to start on two other sites there.

## Vanbrugh Life's first year

In 1975, Vanbrugh Life's first full year of operation, Vanbrugh Life wrote gross new premium income of £10.4m from single premiums and £1.4m from annual premiums. In the second half of the year, single premiums written increased by more than 130 per cent over those for the first half and annual premiums increased by over 120 per cent.

But Mr Wagstaffe reckons that where the business was 35 per cent down on the previous year in production terms, the market has probably bottomed out at 20 per cent below across the board, including the equipment makers, chandeliers and so on.

The question to which nobody knows the answer is whether even those middle executives moving to new higher-salaried jobs will feel they can afford to spend the money on their first, or on a new bigger, boat, however much they may like messing about in them.

Derek Harris

## Management

## Boat builders setting a course for overseas markets

Chas Attridge, 33 years old in computers until three years ago, builds boats to meet leisure demands of the middle executive. He now produces between four and five boats every month, which is at around £10,000 before tax. Since starting he has treated his workforce at Aston, Hertfordshire, from 15 to 15.

In one way he is typical of 1,000 or more boatbuilders in the United Kingdom who either make up a £150m a year industry, and a third of sum represents exports. It is 30 per cent of all business done by 20 per cent of those who are in an exceptional industry. It is not typical of the sector in that he has been able to expand his business. Since the imposition of 25 per cent value-added tax last year's budget on boats makers has staggered, the home market has stagnated, says Mr Wagstaffe, secretary of the Ship and Boatbuilders National Federation, a federation increased by 22

per cent during 1975, a proportion of which are undoubtedly due to companies going into liquidation. Court judgments for bad debts in the industry are another significant pointer—they are up some 30 per cent.

At Boat Show at Earl's Court, London, which closed last night, more than one maker has admitted to not selling a boat for months after the swingeing VAT increase. Power boats were particularly hard hit.

The Chancellor's pre-Christmas relaxation of credit restrictions has now brought more hope to the industry. It means marine mortgages—which are not unlike house mortgages with the lenders willing to offer somewhat extended repayment because boats are an easily realized asset—are back to a five or even a seven year basis.

Mr Attridge reckons that at any rate in his slice of the market the repayment period is the critical thing rather than the total boat cost and is looking hopefully to salary levels for executive jobs jumping into line with inflation.

The collapse of the home market has turned Mr Attridge's attention to exports. Like other British makers who have put in the two to three years' preparatory work necessary to bring an export boat business effectively on line, he has been thankful since the VAT rise that he had established a chain of European agents.

He had also met what seems to be another essential condition for success in exports, a regular supply of new boat designs. His boat is a new design last September, after deciding that 30 footers were the market to go for.

Mr Attridge sets great store by on-time deliveries, maintaining firm prices after quotation even if inflation pushes them into a loss on a specific contract—and building strong liaison with agents. Considerable discounts are expected by agents on the Continent and Mr Attridge is also careful to maintain a constant dialogue with his commission on an order even if the customer approach comes direct to the United Kingdom.

John Sadler, ex-management

consultant who turned boatbuilder at Bicester, has in less than eight years progressed from a backyard annual production worth £8,000 to a £160,000 turnover from a new factory. He sells direct to the customer, meeting mainly by sea.

He produces one "people's boat" design in the increasingly popular kit form, which, apart from the factor of a customer's own labour, shows a little saving on a £8 bill by carrying only an 8 per cent rate on some items. His boat sells at an inclusive price of £1,460.

But he is now moving into a direct-sales European drive having tried and been disappointed by the use of foreign agents. He would like to see a British overseas effort, boats next time to 15 per cent in line roughly with the tax levied in other EEC countries.

Mr Wagstaffe's federation already does a lot to organize a common overseas effort, ensuring the flag is shown not only in continental markets but in others as far apart as Japan and Australasia. "Our reputation for good workmanship is a

potent factor world-wide", he pointed out.

Even though the chances for home sales seem more encouraging he sees exports as a key factor in the next 12 months.

A worrying feature is that many of the buyers are price controls and competition—most boat prices have risen less than 20 per cent in the last 12 months—are not finding it easy to finance the usual flow of new designs.

But Mr Wagstaffe reckons that where the business was 35 per cent down on the previous year in production terms, the market has probably bottomed out at 20 per cent below across the board, including the equipment makers, chandeliers and so on.

The question to which nobody knows the answer is whether even those middle executives moving to new higher-salaried jobs will feel they can afford to spend the money on their first, or on a new bigger, boat, however much they may like messing about in them.

Derek Harris

## actors that brought EMI its international success

Industry after industry has suffered desperately over the two to three years trying to cope with a worsening economic situation, the quality of management in the United Kingdom has come under greater scrutiny and criticism than ever before. Long-term fears, as immediate ones, about the ability of British manufacturers to recover. Recent anxieties about the long-term future of the country in higher taxation and research, among those sectors in which the government has been successful, have been the success of EMI with a X-ray system. It is probable that the most advanced item to come from the electronics industry for the next four years. Yet there is reason to have expected a success from EMI.

One was the successful research and invention which came through the human resource. This was largely in the organization's central research laboratory.

Turning these ideas into commercial application and development meant narrowing them down to those with clear industrial opportunities.

The process of finding the ones with greatest opportunity meant identifying growth in world markets. This third aspect is claimed to be shown with the X-ray system.

The fourth aspect is to ensure a future for the development of the various technical products that emerge from the research centre. Examples in defence electronics have been more easily identified in the past than in a new area like medicine.

The fifth ingredient comes in assessing the potential of profit for an investment in a very advanced research programme taking many years to come to fruition.

Dr Powell seems to be in a better position than most to understand how the academic and industrial worlds should be able to help each other. He did research work on semi-conductors at Oxford, followed by post-doctorate work in Canada. He then returned to Britain where he did research for the Marconi company before enter-

ing what might be considered his management career, in 1957, with Texas Instruments.

Experience of research in North America has clearly transformed his attitude towards the opportunities in industry. His immediate aim was to prove that British industry has all the talents necessary to compete with the best American organizations, even in the most advanced technological fields.

He believes the successful science-based companies have "humanized the scientific method in turning technology into useful commercial purpose". Nevertheless, Dr Powell also added that American companies tended to be a bit glib. This was perhaps the eventual reason why he chose to join EMI when it offered an opportunity.

He willingly admits, however, that the American corporation taught him an immense amount about how to manage, how to organize, how to run a successful business, what the ingredients were for successful innovation, and so on.

EMI afforded him a position in which to make use of all he had learnt so far and to make a contribution that meant stretching his abilities to the utmost in a fresh challenge. Dr Powell maintains that only a company with a broad base such as that

of EMI could offer quite that sort of an opportunity to an individual like himself.

His first job at EMI was to carry out a technical audit of electronics in the organization and to suggest those projects ripe for development and exploitation.

"There really is an immense amount of creative talent, not just in EMI, but in this country. So why haven't we more success in world markets?" he asks.

His audit of EMI showed a tremendous technological resource and an almost limitless fund of good ideas. What was missing was a single major market force in any one of them. It was an old problem of trying to do everything.

It was almost a microcosm of a difficulty that he feels affects the country as a whole. In Britain there are many brilliant people capable of devising complex systems but they are not backed up by the components and materials experts within their own businesses to turn this to success.

In his view EMI has organized its business to ensure against this weakness.

Pearce Wright  
Science Editor

## FINANCIAL NEWS AND MARKET REPORTS

## Snap redeployment has knocked Allied Polymer's earnings

By Ralph Holder

Two unforeseen, major developments have hit Allied Polymer Group's comfortable profit forecast for 1975. But the predicted higher dividend for 1975 is assured, and the benefits of accelerated development plans should be seen "in the future".

When the board last September estimated profits for 1975 at broadly in line with 1974's £3.4m pre-tax they did not know that the functional requirements for heavy losses in the oil industry would develop so quickly. APG Heavy Hose has found it necessary to undertake a major development and test programme so that its products could meet the more exacting requirements specified by the oil industry's accelerated development programme. This has been achieved in consequence.

As it is group policy to write off all research and development costs as they occur, this additional and substantial ex-

penditure (which had not been planned at the time of the interim report) will cause the hose company to show a loss for the year instead of a profit. While the design improvements introduced will lead to higher production costs and, as a result, lower margins on certain current contracts, the accelerated development programme enables Heavy Hose to take more rapid and profitable advantage of its expanding markets in the future.

The second big development concerns Australia. Following the acquisition of Australian Polymer Products it had been the group's policy to reconstruct these operations "gradually". However, with poor economic conditions in Australia, it was decided in the last quarter of the year to take advantage of the hammer and sickle opportunities expected in 1975. Again, this acceleration has inevitably

incurred unforeseen costs, and the Australian companies will therefore show an overall loss for 1975.

The upshot of all this is that audited accounts for Allied Polymer Group for that year will show a level of profits before taxation, "significantly" lower than that of the previous year. The cost of the development, however, is exceptional, and it remains the board's intention to recommend a final dividend equal to the maximum allowable under current regulations. This will amount to 4.50p net, and will represent a dividend yield of 9.4 per cent on the basis of the latest share price of 75p.

In spite of lower profits, the increased dividend will be covered adequately by earnings, and liquidity at the year end was higher than that of the previous year. Preliminary results for 1975 will be announced in April.

## Powerful support for stricken Glöggler

From Peter Norman  
Bonn, Jan 11.

The Economics Ministers of Bavaria, Baden-Württemberg and Hesse together with a number of west German and Swiss banks have agreed on plans to save the productive parts of Glöggler, west Germany's largest textile group, which has been in serious liquidity trouble for some time.

The plan should save the 11,000 jobs which were threatened in the three states, but leave open the financial fate of Herr Hans Glöggler, the industrialist who, through an aggressive policy of acquisition, built up the five-company concern in the past six years and who will no longer be involved with the companies.

The rescue operation is in two parts: operations in Bavaria and Baden-Württemberg, and the plant in Fulda, Hesse.

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Mr Henry Sparborg, chairman of Bishopsgate Property & General Investments, (which said no dividend last year after a relapse from pre-tax profit of £1.45m into a loss of £488,000) says in his report that prospects depend largely on how long it takes to bring new investments into income.

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Derek Harris

## Audi expects 1975 loss

After a net profit of 2.9m marks (£547,000) in 1974, Audi NSU Auto Union AG said last year would show a loss. The company declined to say how large the loss would be, but said it would be made good by its parent company, Volkswagen. The full results will be published about April.

The group hopes that turnover rose by 8 per cent last year to around £3.3m. Last year output declined 23 per cent to 205,000 vehicles. The board pointed to last year's high stocks and a "hesitant" revival in demand.

## Black-Clawson slacker

On turnover up from £2m to £2.4m, net profits of the Black-Clawson International paper mill machinery group have eased from £45,000 to £47,000 for the six months to June 30. There is again no interim—the last payment being 1.25p in 1970.

HEINEKEN IN FRANCE  
Heineken International have increased their stake in Société Alsacienne de Brasserie (Albra) to 55.5 per cent from 51.34 per cent.

## Hutchison-Highgate

The price at which Hutchison International's United Kingdom holding company is to sell its 63.6 per cent holding in Highgate Optical is 39p a share cash—not 33p stated in this column last Saturday. The buyer is a privately-owned London company called Bayline, which, on completion of purchase, will make the same bid for the rest of Highgate ordinary shares.

## MERCEDES DEAL DENIAL

Schweizerische Kreditanstalt does not plan to acquire one of the two remaining share parcels in Mercedes-Benz AG, a spokesman of the bank said in Zurich. He was commenting on German press reports that Kreditanstalt was interested.

Guessing at the course of gilts

The upsurge in the gilt-edged market has fuelled the fire for equities over the past month, and has in consequence attracted the attention of research departments at several major stockbrokers.

## Redland and China Clays due this week

Several major groups stand out in the line-up of routine company profit news this week. They include East Midlands China Clays, International Timber, SGB, Vosper-Thornycroft, and J. H. Vasseur, besides Yarrow, the shipbuilder and engineer.

Outstanding among mid-year results are Scottish & Newcastle Breweries, Guthrie, the Redland building-materials group, and Peachey Property. The keen interest shown on the stock market lately in medium-sized companies is highlighted by Weyburn, whose shares were a bright feature on Friday: the company's year-end figures are due on Wednesday. Details:

TODAY: Interims: Brigray Group, Hogg, Robinson, and Walmsley. Final: A. G. Barr, Braid Group, Smallshaw (Knitwear), Turner Manufacturing, J. H. Vasseur, and Yarrow and Co.

TOMORROW: Interims: Crouch Group, Jones Scroul, Lersset, and Midland. Final: Products, and Scottish and Newcastle Breweries. Final: Asoc Sprayers, Dewhurst and Partners, Fluidrive Eng, Hickson and Welch, Infr Timber, SGB Group, Tollenmache, and Goldbold Brothers. Friday: Interims: Vosper-Thornycroft, and Warner Estate Holdings.

WEDNESDAY: Interims: East and May, City of London Brewery, and Tst, Guthrie Corp, Heron Motor, Raybeck, Smith Wallis, Trident, and Zettlers Group. Final: Gough Cooper, John I. Jacobs, M and G Dual Tst, and Weyburn Eng.

THURSDAY: Interims: Denbyware, Kimpson, London and Mortons, and Newmarket. Final: English China Clays.

FRIDAY: Interims: Culter Guard Bridge, Gordon and Gotch, and Peachey Property.

## Freight report

The signs all pointed downwards for shipowners last week. In the tanker freight markets charterers showed no inclination to hire ships, leaving brokers distinctly nervous and brokers expecting rate cuts this week. In the dry cargo trades a mass of employment-hungry tonnage heading for the United States Gulf was expected to swamp the trans-Atlantic routes.

With the exception of the Caribbean, where rates were very much weaker, tanker premiums held up very well last week in minimal business. VLCC rates stayed largely unchanged although complicated by slow and full steam options. The smaller tankers did a little better and one 70,000-tonner commanded worldwide 52.5.

By Thursday, however, all business had melted away and, by Friday, chartering had virtually ceased. Brokers Galbraith Wrightson noted that unless there was a good influx of demand early this week there would be nothing left to hold rates up.

Meanwhile, owners were also distinctly apprehensive in the dry cargo trades. Having suffered a very quiet time in the three weeks before Christmas, owners confidently looked forward to some increased activity last week. It did not materialize.

At the same time it became apparent that the wester of tonnage which had carried trans-Atlantic grain during the higher rates last November was descending on the United States Gulf once again.

Craig Howard

## Guessing at the course of gilts

The upsurge in the gilt-edged market has fuelled the fire for equities over the past month, and has in consequence attracted the attention of research departments at several major stockbrokers.

Phillips & Drew pinpoint the two main factors in gilts as the outlook for inflation, and the size of the Government's spending plans. Prospects for a halving of present inflation rates appear good, says Phillips, and the first signs should be discernible in late spring or early summer. On the other hand, the Government is committed to a policy of reducing public spending. The brokers' overall view is that the strength of long-dated gilts is

unlikely to persist far into the New Year, while the "shorts" will move towards higher yields as international interest rates begin to turn higher again.

Heseltine Moss also thinks that interest rates may be too low—and that this may become sadly apparent when the external trading account declines and brings sterling under the hammer again. Thus, Heseltine is wary of the equity market and suggests that investors might get out of shares like EMI, Bechtel, and the like, which it thinks are too near five-year "highs", and buy the overseas earners.

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## FINANCIAL NEWS AND MARKET REPORTS

## Cape buying of Unicorn revives takeover speculation

Confusion reigned in parts of the City last week as some heavy buying from the Cape of Union Corporation shares revived memories that the anniversary of the taking of the Gold Fields of South Africa bid for Unicorn is on hand.

A series of errors juxtaposed with a sequence of (real) events led to the propounding of a scheme of truly Machiavellian proportions. In essence it boiled down to the fact that General Mining, or an associate, would gain 51 per cent of Unicorn on or about January 25 (the date itself was wrong while also being based on incorrect assumptions).

The full speculation—a mixture of fact, fiction and fantasy—does not bear repeating. However, the relationship between Unicorn and the Gemmin camp, which has a stake just short of 30 per cent, is of interest. Gemmin does want Unicorn and may eventually get it, perhaps through a Scheme of Arrangement.

But this is likely to be a slow process, and even if Gemmin was in haste, such a company with aspirations to join the ranks of the major international mining houses would have hardly sullied its reputation by perpetrating an outlandish plot to capture Unicorn.

To recap, Gold Fields of South Africa bid for Unicorn in August, 1974. This was followed by a partial bid from General Mining, or an associate, which was subsequently dropped. GFSA later increased its offer, but this failed—mainly due to Gemmin's opposition—and it lapsed on January 27 last year.

Since Gemmin built up its stake to nearly 30 per cent and since the lapsing of the GFSA bid there has been an increasing degree of happy co-existence between the English-dominated Unicorn and the Afrikaans Gemmin, which has gradually lessened fears that once Gemmin was in control there would be

## Mining

a variable bloodbath. (Apart from anything else, Gemmin needs the Unicorn people and their expertise).

One of the matters that has given rise to the speculation in London is the extraordinary general meeting of Federale Mynbou (which has 57 per cent of Gemmin), scheduled for Thursday, over the increase in the share capital. Towards the end of last year Federale issued 14.9 million new shares for 74.5m rand. Among those who put up the cash were Sanlam, SA's largest insurance company, Volkskas and Dr Anton Rupert, who heads the Reunibrand group along with associates.

One intriguing question is what does Federale do with the cash (injecting it into Gemmin, which has heavy Eurodollar borrowings, will not be easy).

Even more intriguing is that Dr Rupert and associates are believed to be sitting on about 10 per cent of Unicorn, a stake which was expensively acquired.

So does the cash filter back to Dr Rupert in exchange for the Unicorn shares, but at a price well over the market rate? Or does Dr Rupert fancy himself as a new Oppenheimer and so hang onto the shares?

There is another 10 per cent stake floating around in the shape of Charter Consolidated's holding. Charter was once willing to sell out and may still be prepared to at the right price, particularly if the persistent rumours about problems at Tenke-Fungurume are only half correct.

So the Federale/Gemmin camp could gain control of Unicorn at a price. An all-out bid is out of the question, because there is just not enough in the coffers—getting that extra 20 per cent would be bad enough. (It has left out of account the City Takeover

Panel, since it seems likely that rules governing foreign companies will be relaxed when new guidelines are issued, possibly in late spring).

There are a lot of stale bulls in Unicorn and, given its heavy exposure to gold, I do not think that the shares offer much in the way of appreciation in the short term.

Gold profits

The forthcoming quarterly production figures from the South African gold mines will show a useful increase in profits and this may lead to a flurry of activity in the share prices.

But any upward movement is likely to be short-lived since the outlook for gold, certainly in the first half of the year, is poor, a view to which even London brokers James Capel now finally subscribe. But the dull patch could continue perhaps to the end of the year.

Desmond Quigley

## From 'a year to forget' to prospect of better times for metal prices

## Commodities

"A year that metal producers and traders would prefer to forget" is the verdict on 1975 by brokers Rudolf Wolff, who have been looking at the prospects for metal prices in 1976 and see an improvement possible.

In a year-end report they say that copper producers, particularly Chile, Zambia, Zaire and Peru, all members of the Council of Copper Exporting Countries, "have suffered grievously from the euphoric price assumption they made during the first quarter of 1975."

Many CIPEC countries have seen their national economic plans on a not unreasonable estimated average copper price of around £800 a ton. Through most of 1975 they had the traumatic experience of selling their copper in the low £500s, prices which are significantly below their costs of production.

Recalling that the CIPEC nations tried to salvage something of their economic plans by producing more copper despite the low prices, the report points out that this helped only to keep prices depressed "at what will prove to be rock bottom levels. Consumers, of course, cannot be forced to buy metals they do not want."

It is the CIPEC nations that have the extraordinary situation where consumers are running on marginal levels and the producers have been using the London Metal Exchange as a vehicle for creating their own cash flow. This is a major, imponderable is how quickly and strongly world economic activity will recover.

"The American economy appears, on balance, to be heading slowly upwards and other economies, in our view, are likely to follow in a slow but steady fashion. Those producers who have cut production, particularly in North America, are most unlikely to restore capacity to former levels until they have seen a higher price level maintained for some time."

"Nor will one see new production being commissioned in the United States until an average price of at least 90c to 100c a lb appears maintainable in the future. This compares with the present United States producer price of around 65c a lb."

Wolff recall that for the last eight to nine months they have been recommending investment in physical copper. "It is, we believe, one of the world's best investments at present for significant capital gains on a medium to long term view."

"Copper's capital gain potential, given the likely future supply and demand picture, will almost certainly outperform any of the traditional investment vehicles."

"It is a tangible asset whose price will be increasingly affected by an improving supply and demand situation. Equity gilt prices, on the other hand, are far more subject to sentiment changes concerning the domestic scene."

## On the way to a pinnacle

A near swipe is taken at the United Nations Conference on Trade and Development in its latest issue of *Metal Bulletin* on the deliberations of UNCTAD's commodities committee on setting up a common fund to finance buffer stocks of key commodities.

It will be recalled that after two weeks of Geneva talks the committee could not reach agreement and decided to leave detailed recommendations to UNCTAD's board of trade and development which meets in March, two months before the full UNCTAD conference in Nairobi.

Describing this as "passing an unwelcome buck" to the board, the *Metal Bulletin* says that even imposing such deadlines is unlikely to produce anything near a comprehensive plan. "Both the EEC and the United States are unconvinced of the need for a grand commodities plan but are prepared to discuss margins and aspects of it."

"For this, the trade should be grateful, for the plan promises to reach the very pinnacle of bureaucratic ambition—to generate a closed system of circular discussions/meetings/committees completely self-supporting and of only academic interest to the world. Well played, UNCTAD!"

Wallace Jackson  
Commodities Editor

## Weekly list of fixed interest stocks

Stock	Price	Yield	Dividend
Albion 7 1/2	30 1/2	8 1/2	2 1/2
Albion 8 1/2	31 1/2	8 1/2	2 1/2
Albion 9 1/2	32 1/2	8 1/2	2 1/2
Albion 10 1/2	33 1/2	8 1/2	2 1/2
Albion 11 1/2	34 1/2	8 1/2	2 1/2
Albion 12 1/2	35 1/2	8 1/2	2 1/2
Albion 13 1/2	36 1/2	8 1/2	2 1/2
Albion 14 1/2	37 1/2	8 1/2	2 1/2
Albion 15 1/2	38 1/2	8 1/2	2 1/2
Albion 16 1/2	39 1/2	8 1/2	2 1/2
Albion 17 1/2	40 1/2	8 1/2	2 1/2
Albion 18 1/2	41 1/2	8 1/2	2 1/2
Albion 19 1/2	42 1/2	8 1/2	2 1/2
Albion 20 1/2	43 1/2	8 1/2	2 1/2
Albion 21 1/2	44 1/2	8 1/2	2 1/2
Albion 22 1/2	45 1/2	8 1/2	2 1/2
Albion 23 1/2	46 1/2	8 1/2	2 1/2
Albion 24 1/2	47 1/2	8 1/2	2 1/2
Albion 25 1/2	48 1/2	8 1/2	2 1/2
Albion 26 1/2	49 1/2	8 1/2	2 1/2
Albion 27 1/2	50 1/2	8 1/2	2 1/2
Albion 28 1/2	51 1/2	8 1/2	2 1/2
Albion 29 1/2	52 1/2	8 1/2	2 1/2
Albion 30 1/2	53 1/2	8 1/2	2 1/2
Albion 31 1/2	54 1/2	8 1/2	2 1/2
Albion 32 1/2	55 1/2	8 1/2	2 1/2
Albion 33 1/2	56 1/2	8 1/2	2 1/2
Albion 34 1/2	57 1/2	8 1/2	2 1/2
Albion 35 1/2	58 1/2	8 1/2	2 1/2
Albion 36 1/2	59 1/2	8 1/2	2 1/2
Albion 37 1/2	60 1/2	8 1/2	2 1/2
Albion 38 1/2	61 1/2	8 1/2	2 1/2
Albion 39 1/2	62 1/2	8 1/2	2 1/2
Albion 40 1/2	63 1/2	8 1/2	2 1/2
Albion 41 1/2	64 1/2	8 1/2	2 1/2
Albion 42 1/2	65 1/2	8 1/2	2 1/2
Albion 43 1/2	66 1/2	8 1/2	2 1/2
Albion 44 1/2	67 1/2	8 1/2	2 1/2
Albion 45 1/2	68 1/2	8 1/2	2 1/2
Albion 46 1/2	69 1/2	8 1/2	2 1/2
Albion 47 1/2	70 1/2	8 1/2	2 1/2
Albion 48 1/2	71 1/2	8 1/2	2 1/2
Albion 49 1/2	72 1/2	8 1/2	2 1/2
Albion 50 1/2	73 1/2	8 1/2	2 1/2
Albion 51 1/2	74 1/2	8 1/2	2 1/2
Albion 52 1/2	75 1/2	8 1/2	2 1/2
Albion 53 1/2	76 1/2	8 1/2	2 1/2
Albion 54 1/2	77 1/2	8 1/2	2 1/2
Albion 55 1/2	78 1/2	8 1/2	2 1/2
Albion 56 1/2	79 1/2	8 1/2	2 1/2
Albion 57 1/2	80 1/2	8 1/2	2 1/2
Albion 58 1/2	81 1/2	8 1/2	2 1/2
Albion 59 1/2	82 1/2	8 1/2	2 1/2
Albion 60 1/2	83 1/2	8 1/2	2 1/2
Albion 61 1/2	84 1/2	8 1/2	2 1/2
Albion 62 1/2	85 1/2	8 1/2	2 1/2
Albion 63 1/2	86 1/2	8 1/2	2 1/2
Albion 64 1/2	87 1/2	8 1/2	2 1/2
Albion 65 1/2	88 1/2	8 1/2	2 1/2
Albion 66 1/2	89 1/2	8 1/2	2 1/2
Albion 67 1/2	90 1/2	8 1/2	2 1/2
Albion 68 1/2	91 1/2	8 1/2	2 1/2
Albion 69 1/2	92 1/2	8 1/2	2 1/2
Albion 70 1/2	93 1/2	8 1/2	2 1/2
Albion 71 1/2	94 1/2	8 1/2	2 1/2
Albion 72 1/2	95 1/2	8 1/2	2 1/2
Albion 73 1/2	96 1/2	8 1/2	2 1/2
Albion 74 1/2	97 1/2	8 1/2	2 1/2
Albion 75 1/2	98 1/2	8 1/2	2 1/2
Albion 76 1/2	99 1/2	8 1/2	2 1/2
Albion 77 1/2	100 1/2	8 1/2	2 1/2
Albion 78 1/2	101 1/2	8 1/2	2 1/2
Albion 79 1/2	102 1/2	8 1/2	2 1/2
Albion 80 1/2	103 1/2	8 1/2	2 1/2
Albion 81 1/2	104 1/2	8 1/2	2 1/2
Albion 82 1/2	105 1/2	8 1/2	2 1/2
Albion 83 1/2	106 1/2	8 1/2	2 1/2
Albion 84 1/2	107 1/2	8 1/2	2 1/2
Albion 85 1/2	108 1/2	8 1/2	2 1/2
Albion 86 1/2	109 1/2	8 1/2	2 1/2
Albion 87 1/2	110 1/2	8 1/2	2 1/2
Albion 88 1/2	111 1/2	8 1/2	2 1/2
Albion 89 1/2	112 1/2	8 1/2	2 1/2
Albion 90 1/2	113 1/2	8 1/2	2 1/2
Albion 91 1/2	114 1/2	8 1/2	2 1/2
Albion 92 1/2	115 1/2	8 1/2	2 1/2
Albion 93 1/2	116 1/2	8 1/2	2 1/2
Albion 94 1/2	117 1/2	8 1/2	2 1/2
Albion 95 1/2	118 1/2	8 1/2	2 1/2
Albion 96 1/2	119 1/2	8 1/2	2 1/2
Albion 97 1/2	120 1/2	8 1/2	2 1/2
Albion 98 1/2	121 1/2	8 1/2	2 1/2
Albion 99 1/2	122 1/2	8 1/2	2 1/2
Albion 100 1/2	123 1/2	8 1/2	2 1/2

## Euromarkets

In yet another hectic week for new issues in the Eurobond market one of the most heartening features has been the keen response to the two 10-year issues now in the market.

Both have been increased in size. The European Coal and Steel Community has increased the 10-year tranche of its issue from \$50m to \$60m (£25m to £30m), while also expanding the shorter five-year tranche from \$50m to \$60m. At the same time Norsk Hydro's issue has been uprated from \$40m to \$50m.

Shorter-dated paper remains the most favoured among investors, but it is significant that a time when the volume of new bonds being offered is so big there should be sufficient demand to justify an increase in the longer-maturity issues.

It provides further evidence of the breadth of the market, although new issues are mopping up so much of the investable funds that the secondary market is seeing relatively little progress in terms of prices.

More evidence of the market's breadth is the launching of the \$40m five-year issue by the British Gas Corporation at

5 per cent. This is a quarter-point higher than the coupon on the ECSC's note issue, but, having the full weight of the European Community behind it, the ECSC would normally expect to yield slightly less than most other names.

The ECSC apart, 5 per cent has been the "going rate" for good quality new issues recently, although the recent downturn in short-term rates might be expected to lead to a breach of this level.

The significance of the British Gas issue is that it comes after a period of considerable unpopularity for British government-backed issues. Companies such as Barclays and the Midland Bank have had no difficulty raising funds, but the market has not forgotten the handling of local authority issues in 1973.

These followed so hard upon each other's heels in uncertain market conditions and were frequently so weakly placed that the secondary market performance proved disastrous. As a result it has been virtually impossible for British public sector borrowers to raise funds in the public market ever since. The Bank of England having refused permission to borrow rather than run the risk of a humiliating flop.

Christopher Wilkins

## Eurobond prices (yields and premiums)

Issue	Price	Yield	Premium
Standard Oil 1988	101 1/2	8 1/2	1 1/2
Standard Oil 1990	101 1/2	8 1/2	1 1/2
Standard Oil 1992	101 1/2	8 1/2	1 1/2
Standard Oil 1994	101 1/2	8 1/2	1 1/2
Standard Oil 1996	101 1/2	8 1/2	1 1/2
Standard Oil 1998	101 1/2	8 1/2	1 1/2
Standard Oil 2000	101 1/2	8 1/2	1 1/2
Standard Oil 2002	101 1/2	8 1/2	1 1/2
Standard Oil 2004	101 1/2	8 1/2	1 1/2
Standard Oil 2006	101 1/2	8 1/2	1 1/2
Standard Oil 2008	101 1/2	8 1/2	1 1/2
Standard Oil 2010	101 1/2	8 1/2	1 1/2
Standard Oil 2012	101 1/2	8 1/2	1 1/2
Standard Oil 2014	101 1/2	8 1/2	1 1/2
Standard Oil 2016	101 1/2	8 1/2	1 1/2
Standard Oil 2018	101 1/2	8 1/2	1 1/2
Standard Oil 2020	101 1/2	8 1/2	1 1/2
Standard Oil 2022	101 1/2	8 1/2	1 1/2
Standard Oil 2024	101 1/2	8 1/2	1 1/2
Standard Oil 2026	101 1/2	8 1/2	1 1/2
Standard Oil 2028	101 1/2	8 1/2	1 1/2
Standard Oil 2030	101 1/2	8 1/2	1 1/2
Standard Oil 2032	101 1/2	8 1/2	1 1/2
Standard Oil 2034	101 1/2	8 1/2	1 1/2
Standard Oil 2036	101 1/2	8 1/2	1 1/2
Standard Oil 2038	101 1/2	8 1/2	1 1/2
Standard Oil 2040	101 1/2	8 1/2	1 1/2
Standard Oil 2042	101 1/2	8 1/2	1 1/2
Standard Oil 2044	101 1/2	8 1/2	1 1/2
Standard Oil 2046	101 1/2	8 1/2	1 1/2
Standard Oil 2048	101 1/2	8 1/2	1 1/2
Standard Oil 2050	101 1/2	8 1/2	1 1/2
Standard Oil 2052	101 1/2	8 1/2	1 1/2
Standard Oil 2054	101 1/2	8 1/2	1 1/2
Standard Oil 2056	101 1/2	8 1/2	1 1/2
Standard Oil 2058	101 1/2	8 1/2	1 1/2
Standard Oil 2060	101 1/2	8 1/2	1 1/2
Standard Oil 2062	101 1/2	8 1/2	1 1/2
Standard Oil 2064	101 1/2	8 1/2	1 1/2
Standard Oil 2066	101 1/2	8 1/2	1 1/2
Standard Oil 2068	101 1/2	8 1/2	1 1/2
Standard Oil 2070	101 1/2	8 1/2	1 1/2
Standard Oil 2072	101 1/2	8 1/2	1 1/2
Standard Oil 2074	101 1/2	8 1/2	1 1/2
Standard Oil 2076	101 1/2	8 1/2	1 1/2
Standard Oil 2078	101 1/2	8 1/2	1 1/2
Standard Oil 2080	101 1/2	8 1/2	1 1/2
Standard Oil 2082	101 1/2	8 1/2	1 1/2
Standard Oil 2084	101 1/2	8 1/2	1 1/2
Standard Oil 2086	101 1/2	8 1/2	1 1/2
Standard Oil 2088	101 1/2	8 1/2	1 1/2
Standard Oil 2090	101 1/2	8 1/2	1 1/2
Standard Oil 2092	101 1/2	8 1/2	1 1/2
Standard Oil 2094	101 1/2	8 1/2	1 1/2
Standard Oil 2096	101 1/2	8 1/2	1 1/2
Standard Oil 2098	101 1/2	8 1/2	1 1/2
Standard Oil 2100	101 1/2	8 1/2	1 1/2

Unit Trust Prices—change on the week

FT Index change on week 401.6 + 16.8 (4.4%)

## Bank Base Rates

Bank	Rate
Barclays Bank	11 1/2
First London Secs	11 1/2
C. Hoare & Co.	11 1/2
Lloyds Bank	10 1/2
Midland Bank	11 1/2
Nat Westminster	11 1/2
Rossminster Acc's	12 1/2
Shenley Trust	12 1/2
20th Century Bank	12 1/2
Williams & Glyn's	11 1/2

## A BENEFICIAL INVESTMENT!

How many times in any one year do you, as a Company Director, find the frustration of looking for qualified staff to fill various roles throughout your Company? And would you agree that the start of a New Year is the best time to plan for the future?

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**Focus on opportunities in 1976**

The data planned in January 2nd. The individual listings planned are:

- COMPUTER STAFF
- LEGAL STAFF
- FINANCIAL STAFF
- GRADUATES
- ENGINEERS
- PUBLIC RELATIONS
- SCIENTISTS & TECHNOLOGISTS
- BANKING & INSURANCE
- OVERSEAS APPOINTMENTS
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**Borg-Warner**

Borg-Warner, the Chicago-based group with a spread from chemicals and plastics to building products and transportation equipment, expects 1976 earnings to reach at least \$2.25 last year.

The forecast is based on a "strong turnaround" in chemicals business, a recovery in its transport, housing and consumer durables sectors and gains from its financial services operations. Sales during the year are expected to rise by about 15 per cent to \$1,900m.

**Electrolux 'Tornado'**

The French electrical appliances firm Societe Nouvelles et Organisations Domestiques (Electrolux) has confirmed that Electrolux of Sweden is currently negotiating for a majority stake in the company.

Tornado is one of the major French manufacturers of vacuum-cleaners and also markets floor-waxing machines and electric blankets.

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Capitalisation	Company	Price Friday	Change week	Gross Divid	Yld % P/E
825	Armitage & Rhodes	33	+1	3.0	9.1
1302	Deborah Services	98	-	7.5	7.7
4845	Henry Sykes	142	-2	4.9	3.5
3419	Twinkl Ord	21	+	0.9	3.9
1,665	Twinkl 12% ULS	61	+5	12.0	19.0
2,573	Unilock Holdings	60	+	4.5	11.6







Strand:  
Kempston:



## RENTALS

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Cleapham Commr: A rowing,  
E. & B. 10F 3. What value?  
No. 1, No. 100 Hill: 2 rooms,  
E. & B. 10F 100. W. 14: 1  
room for 3. 240 each. Little  
Bollins: 3 rooms, E. & B. we  
will almost say you before  
you get into one. 3-4-5-  
6-7-8-9-10-11-12-13-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31-32-33-34-35-36-37-38-39-40-41-42-43-44-45-46-47-48-49-50-51-52-53-54-55-56-57-58-59-60-61-62-63-64-65-66-67-68-69-70-71-72-73-74-75-76-77-78-79-80-81-82-83-84-85-86-87-88-89-90-91-92-93-94-95-96-97-98-99-100-101-102-103-104-105-106-107-108-109-110-111-112-113-114-115-116-117-118-119-120-121-122-123-124-125-126-127-128-129-130-131-132-133-134-135-136-137-138-139-140-141-142-143-144-145-146-147-148-149-150-151-152-153-154-155-156-157-158-159-160-161-162-163-164-165-166-167-168-169-170-171-172-173-174-175-176-177-178-179-180-181-182-183-184-185-186-187-188-189-190-191-192-193-194-195-196-197-198-199-200-201-202-203-204-205-206-207-208-209-210-211-212-213-214-215-216-217-218-219-220-221-222-223-224-225-226-227-228-229-230-231-232-233-234-235-236-237-238-239-240-241-242-243-244-245-246-247-248-249-250-251-252-253-254-255-256-257-258-259-260-261-262-263-264-265-266-267-268-269-270-271-272-273-274-275-276-277-278-279-280-281-282-283-284-285-286-287-288-289-290-291-292-293-294-295-296-297-298-299-300-301-302-303-304-305-306-307-308-309-310-311-312-313-314-315-316-317-318-319-320-321-322-323-324-325-326-327-328-329-330-331-332-333-334-335-336-337-338-339-340-341-342-343-344-345-346-347-348-349-350-351-352-353-354-355-356-357-358-359-360-361-362-363-364-365-366-367-368-369-370-371-372-373-374-375-376-377-378-379-380-381-382-383-384-385-386-387-388-389-390-391-392-393-394-395-396-397-398-399-400-401-402-403-404-405-406-407-408-409-410-411-412-413-414-415-416-417-418-419-420-421-422-423-424-425-426-427-428-429-430-431-432-433-434-435-436-437-438-439-440-441-442-443-444-445-446-447-448-449-450-451-452-453-454-455-456-457-458-459-460-461-462-463-464-465-466-467-468-469-470-471-472-473-474-475-476-477-478-479-480-481-482-483-484-485-486-487-488-489-490-491-492-493-494-495-496-497-498-499-500-501-502-503-504-505-506-507-508-509-510-511-512-513-514-515-516-517-518-519-520-521-522-523-524-525-526-527-528-529-530-531-532-533-534-535-536-537-538-539-540-541-542-543-544-545-546-547-548-549-550-551-552-553-554-555-556-557-558-559-560-561-562-563-564-565-566-567-568-569-570-571-572-573-574-575-576-577-578-579-580-581-582-583-584-585-586-587-588-589-590-591-592-593-594-595-596-597-598-599-600-601-602-603-604-605-606-607-608-609-610-611-612-613-614-615-616-617-618-619-620-621-622-623-624-625-626-627-628-629-630-631-632-633-634-635-636-637-638-639-640-641-642-643-644-645-646-647-648-649-650-651-652-653-654-655-656-657-658-659-660-661-662-663-664-665-666-667-668-669-670-671-672-673-674-675-676-677-678-679-680-681-682-683-684-685-686-687-688-689-690-691-692-693-694-695-696-697-698-699-700-701-702-703-704-705-706-707-708-709-710-711-712-713-714-715-716-717-718-719-720-721-722-723-724-725-726-727-728-729-730-731-732-733-734-735-736-737-738-739-740-741-742-743-744-745-746-747-748-749-750-751-752-753-754-755-756-757-758-759-760-761-762-763-764-765-766-767-768-769-770-771-772-773-774-775-776-777-778-779-780-781-782-783-784-785-786-787-788-789-790-791-792-793-794-795-796-797-798-799-800-801-802-803-804-805-806-807-808-809-810-811-812-813-814-815-816-817-818-819-820-821-822-823-824-825-826-827-828-829-830-831-832-833-834-835-836-837-838-839-840-841-842-843-844-845-846-847-848-849-850-851-852-853-854-855-856-857-858-859-860-861-862-863-864-865-866-867-868-869-870-871-872-873-874-875-876-877-878-879-880-881-882-883-884-885-886-887-888-889-890-891-892-893-894-895-896-897-898-899-900-901-902-903-904-905-906-907-908-909-910-911-912-913-914-915-916-917-918-919-920-921-922-923-924-925-926-927-928-929-930-931-932-933-934-935-936-937-938-939-940-941-942-943-944-945-946-947-948-949-950-951-952-953-954-955-956-957-958-959-960-961-962-963-964-965-966-967-968-969-970-971-972-973-974-975-976-977-978-979-980-981-982-983-984-985-986-987-988-989-990-991-992-993-994-995-996-997-998-999-1000-1001-1002-1003-1004-1005-1006-10

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